

COMMENT OF THE DAY

The Colony's Problems

HONGKONG is genuinely delighted to welcome its distinguished visitor, Vice-President Nixon of the United States. It is an unprecedented event in that this is the first time the Colony has been visited by an American Vice-President, and it is of special significance because Mr. Nixon is not merely on a sight-seeing tour, but is undertaking a fact-finding and problem-probing mission. To Hongkong that is extremely important, for in the past we have been led to feel that many of our problems which are not purely parochial but are part of wider international issues have not been fully appreciated in administrative and political circles in Washington, largely because there has not been any serious attempt to discover the facts which form the background to these problems. We do not expect Vice-President Nixon during his brief stay here to assimilate all the angles and complexities of the Colony's economic and social conditions, but it is a healthy sign that Mr. Nixon comes here with an open mind and with the expressed determination to see as much and hear as much as he can about this place and its relations with the rest of the world.

It was characteristic of Mr. Nixon to make his first words when he arrived at Kai Tak yesterday a tribute to the manner in which the Colony has tackled its tremendous refugee problem and we gratefully acknowledge the Vice-President's compliments. It is well to remember, however, that our refugees are not all homeless and destitute. They include artisans and craftsmen who are now finding livelihood in Hongkong, instead of in Shanghai and other ports and cities of China. It is these refugees who have helped to build up the vast new industries of the Colony, and they depend, not on the benevolence of the Government or the charity of the community, but on Hongkong's trading and economic conditions. Where they are politically conscious the majority are steadfastly anti-Communist and are, therefore, the friends and supporters of the Western democracies. Their health, wealth and happiness cannot be totally ignored in the interests of world politics. They and the rest of the local community are entitled to some consideration. The trading embargoes which Hongkong has imposed at the behest of the United Nations and the restrictions which the United States has applied in commercial dealings with the Colony are endangering the livelihood and the contentment of hundreds of thousands of workers here.

THIS is one thing we would request Mr. Nixon to understand and to give it sympathetic consideration. The gradual relaxing of the US restrictions are extremely welcome, yet they and the international trading embargoes are having a crippling effect here. The Southeast Asian markets are not wide enough to make good the deficiency caused by the almost paralysed trade with the hinterland of China, and the danger of the current economic recession becoming a slump and causing widespread unemployment and distress is inherent. Hongkong strives to be and is expected to remain one of the important outposts of democratic freedom in the Far East, but this task is compromised if political and trading barriers deny the people of Hongkong and its refugees the right of a decent and stabilised livelihood.

ANGLO-US TROOPS QUELL TRIESTE RIOTS

Crowds Battle With Police

Trieste, Nov. 5.

American and British troops went into action tonight to help quell fighting in which at least three persons were killed and scores injured.

Thousands of Italian students and pro-Italian supporters surged through the streets. They battled hard-pressed police flying squads with brickbats and clubs and the officers struck back with guns, tear gas and water hoses.

An Allied Military Government communique said two persons were killed—a 16-year-old student and a 63-year-old man. A hospital reported the death of a third victim of the savage fighting.

At least one of the dead was hit by a ricocheting police bullet.

Six truckloads of police armed with machineguns and British infantry company rolled into the riot-torn city this evening. They fanned out on patrol through areas where students and police had battled for hours.

For the first time in the eight years of the Anglo-American occupation troops were called for riot duty when the situation threatened to get completely out of hand.

The rioting ended tonight after the show of force by American and British troops.

The heavily-armed American and British troops went into action when the disorders threatened to get out of police control. But the demonstrators scattered without military intervention.

Something like 100,000 Trieste-ites—more than a third of the city's population—thronged all down-town streets and watched as the British and American troop trucks passed through at 7.30 p.m. on their way to the stern centres.

IN UGLY MOOD
The crowd shouted ugly and mainly anti-British cries because the Military Government of the city was largely in British hands.

"English, get out of here," they yelled. "You are murdering our students."

An Allied Military Government spokesman said that an Italian Battalion of the Royal British Regiment stationed here had been called out from Rossini Barracks on the outskirts of town.

"Their orders are that they can use both rifle butts and any other non-lethal instrument to break up the mobs but must not open fire," the spokesman said.

He said that the order for the Americans was the same.

The soldiers did not move in on the milling crowds immediately. The trucks merely circled the main boulevards. By the time they reached the Piazza Unita it had been cleared by the Police.

STREET BATTLE
Steel-helmeted Police riot squads cordoned the square in front of the San Giovanni Church where two demonstrators were killed and scores were injured in a two-hour afternoon street battle.

At least one demonstrating student was hit by a ricocheting Police bullet during the afternoon and was taken to hospital with a bloody hole in his stomach.

The other casualties were hit by flying stones or clubbed by the Police.

The crowds tonight were not violent. But they stopped traffic by pulling trolley bus contact arms off the overhead wires.

In the Piazza Cavana, a tough section of the city, a gang of youth dropped matches in the gas tank of a Police motor cycle. It went up in a sheet of flame.—United Press.

ITALIAN DENIAL
Trieste, Nov. 5.
Italy denied tonight that it had incited the bloody riots in Trieste and Government officials appealed for calm in the troubled city.

A Foreign Office spokesman denied charges by the pro-Tito Slovene newspaper Primoriki Danik accusing the Italian Government of passing directives for the Trieste demonstrations.

"We are not pushing for demonstrations of this kind," the spokesman said. "It is our policy

not to excite or incite the people. It is the usual thing of Marshal Tito's supporters to accuse others of the things they do themselves."—United Press.

Reuter reports that an official communique said General Winter, British zone commander, "greatly regrets that the actions of irresponsible elements in Trieste today should have led to a number of casualties" and added:

"He wishes to assure the population of Trieste that he will take every measure needed to ensure that order is maintained."

The communique appealed to the people to "remain calm and exercise the utmost restraint."

The communique said 33 arrests were made during the earlier clash this morning between police and students near the Church of Saint Anthony, but no casualties were reported.

It added: "In the afternoon a crowd began collecting in front of the Church for a service (of reconsecration) to be held at 10.30."

Towards the time of the service, 500 or 600 persons had collected with the obvious purpose of attending the service.

"They were joined by a considerable number of those youths who took part in the morning's demonstration."

"After the service began, a large number of demonstrators remained on the steps of the Church."

STONES THROWN

"With the arrival of police, these demonstrators began to throw stones in spite of an appeal for order by a responsible police officer."

"Their attack assumed serious proportions and extended to the guestura (police headquarters)."

"In view of the perilous situation with which the police were faced, an order was given to fire over the heads of the crowd."

"The ensuing struggle between demonstrators and police lasted some time, but finally resulted in the dispersal of the demonstrators."

"During this incident, two persons were killed and 15 injured, including one seriously."

"Following upon this incident, the demonstrators proceeded to attack a number of Allied and other installations including the Excelsior and Regina hotels (used by Allied officers)."

—Reuter.

STOP PRESS

REDS ACCEPT PROPOSAL

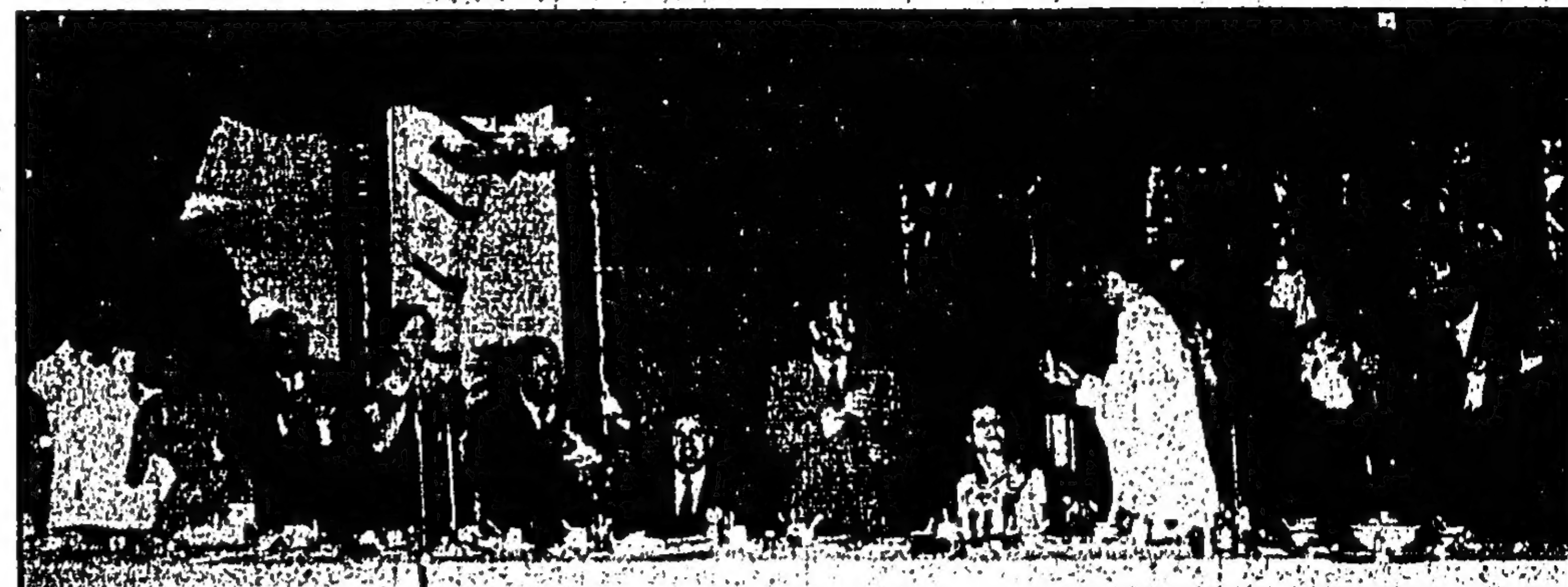
Panmunjom, Nov. 6.

The Communists here today announced they would accept the proposal of the United States envoy, Mr. Arthur Dean, to discuss arrangements for a Korean political conference in a lower-level closed session talks.

The announcement came at the eleventh session of plenary preliminary talks about conference plans.

Plenary sessions were, therefore, recessed indefinitely.

—Reuter.



5 Matters Settled

London, Nov. 5.

The British Foreign Secretary, Mr. Anthony Eden, today told the House that five small, pending questions between Britain and the Soviet Union had been settled. There were, he said, two unsolved.

According to Foreign Office sources, the five solved problems are the Bunkoff affair, George Bunkoff, a British Embassy employee in Moscow, had to be kept a virtual prisoner in the Embassy for five years as he was required on a charge against him by the Soviet court. Recently, he was given a visa and permitted to leave Russia.

The second was the Hall affair. Mrs. Clare Hall, Soviet wife of a British Embassy employee, was "allowed to join her husband outside Russia."

The third was the softening of restrictions on the movement of British diplomats in Russia. In the fourth instance, a fisheries agreement, permitting English trawlers to fish in the White Sea, was signed.

Fifth was the Robey affair. A Soviet vessel, the Robey, damaged a buoy in the Tyne basin in 1948 and the Soviet Union, last month, agreed to pay £400 for the damage.

The two unsolved questions were: (1) the general question of Soviet women married to British nationals, who had not been allowed to leave Russia, and (2) the general question of tourist travel and cultural exchange visits of British travellers to Russia, apart from officially invited guests.

—France-Press.

BEVAN WINS ELECTION

London, Nov. 5.

Mr. Aneurin Bevan, leader of the left-wing of the British Labour Party, was today elected to the party's "shadow cabinet" which assists Mr. Clement Attlee in directing the opposition party tactics in Parliament.

Mr. Bevan was the only "Bevanite" elected to the body, but he bolstered his position this year. Last year, he was elected twelfth and last, while this time he was named in the ninth position.—France-Press.

Vice-President And Mrs Nixon Feted By HK Industrialists

RED UNIT ROUTED IN INDO-CHINA

Fine Action By French Forces

Laos, Nov. 5.

French Union forces returned safely to their own lines tonight after smashing into the headquarters of the elite Communist Vietnamese 320th Division.

The French High Command said the Red unit, a major Communist striking force would be "practically out of action" after the raid.

The Communist-led Vietnamese rebels failed to interfere with the calm withdrawal of parachute hero General Jean J. M. Gilles' raiders from the 320th's former headquarters, the French said.

Tanks and infantry covered the eight dusty miles from Phu Nho Quan, 65 miles south-east of Hanoi, back to their advance command post at Laos under a heavy umbrella of air protection.

It was the second time General Gilles and his battle-hardened French Moroccan, Foreign Legionnaires and native Vietnamese probed into the rebel headquarters and withdrew during Operation Seagull, the first attempt in the eight-year war to track the Reds to their inner lair.

THE DESIGN

The hit and run jobs were designed not to capture territory but to smash Vietminh power. The rebels withdrew to avoid a fight the first time, but Monday's swift thrust caught them by surprise and the tattered remnants of the 320th battled savagely to block the French advance.

General Gilles chewed up more than a battalion in counted dead, wounded and prisoners in the assault. Headquarters said, and put the division out of combat.

However, the French Command reported that the Reds lashed back hard inside the French-held Red River delta itself with a series of ambushes and lightning thrusts at the French outposts during the past 24 hours. They took the worst of it though, with 80 killed and 60 captured again, "comparatively light" Franco-Vietnamese losses.

Operation Seagull forces began pulling back from Phu Nho Quan today at dawn. They left the battered village of 5,000 population scarred with traces of the bitter fighting that cost the Reds the use of one of their best formations. The Reds were remarkably well-armed and well-equipped.—United Press.

Woman MP Appeals To Churchill

London, Nov. 5.

Lady Tweedsmuir (Conservative) today urged Sir Winston Churchill, the Prime Minister, to seek a personal interview alone with Mr. Georgi Malenkov, the Soviet Premier.

Speaking in the House of Commons debate on the Government's policy for the new session of Parliament, Lady Tweedsmuir said she believed the Prime Minister was still "the greatest Parliamentarian and statesman we shall see."

She pleaded with Sir Winston to "use those gifts while yet he might."

Lady Tweedsmuir agreed that Sir Winston would first need to have the goodwill of the Western Allies.

At the meeting itself, she suggested there should be no agenda and that there should be a Soviet assurance beforehand that he would be received.

Mr. Patrick Gordon-Walker, former Labour Secretary for Commonwealth Relations, said the Western powers must bear some blame for the present deadlock with Russia.

It was a "great mistake" not to suspend pressure for the European Defence Community while making a really big effort for talks with Russia and thus give proof of the genuineness of Western intentions.—Reuter.

McCarthy Finds Another Communist

New York, Nov. 5.

Senator Joseph McCarthy said tonight he had evidence that a former leading United States Army officer was a Communist spy in the Signal Corps at Fort Monmouth, New Jersey.

He added that a second witness before the Senate Investigations Sub-Committee—a woman—had without question "engaged in espionage in the Signal Corps at Fort Monmouth, New Jersey."

Senator McCarthy, Chairman of the Sub-Committee, did not name either of the witnesses. Senator McCarthy demanded that Harvard University dismiss Professor Wenbin H. Furry, who, he alleged, refused to tell the Senate Permanent Investigations Sub-Committee yesterday whether he had indoctrinated students with Communist philosophy.

Senator McCarthy said Dr. Furry also refused to say whether he had ever turned over top-secret material to the Communists while working on radar for the Army Signal Corps at the Massachusetts Institute of Technology from 1943 to 1945.

The Senator said he was sending a telegram to Dr. Nathan Pusey, President of Harvard, "to see what his attitude towards Furry will be."—Reuter.

Mau Mau Leader Killed

Nairobi, Nov. 5.

A notorious Mau Mau terrorist, Kibunjia Kirioki, was killed by the security forces today south of Mount Kenya, it was learned here.

Kibunjia was high on the list of the "wanted terrorists." Two companies of the King's African Rifles and police units took up positions at dawn when two men tried to break through the ambush, and were shot. One was Kibunjia, the other a member of his gang.—France-Press.

War Office Apologises

London, Nov. 5.

The War Office has apologised to a mother whose son they sought as a "deserter" all the time he was lying wounded in an army hospital in Japan.

Four months ago the army searched for Private Thomas Gunn, of the 1st Battalion, Duke of Wellington's Regiment. They wanted to know why, on completing his compulsory full-time national service with the regular army, he had not reported for part-time training.

At the time of the inquiries Private Gunn, severely wounded in the stomach and leg in Korea, was in an army bed in Japan.

He is now in an Aldershot (England) hospital recovering from his wounds.—China Mail Special.

PRISON FOR CRIPPLED MAN

New York, Nov. 5.

Raymond Cosme, accused in a plaster cast and unable to move his head, was wheeled today court on a stretcher here today and sentenced to 10 to 15 years in prison for the murder of his wife.

He was crippled when he fractured his spine in a jump from the fifth storey window of a Brooklyn flat on the night of the murder, December 8, 1939.—China Mail Special.

A Candidate For Presidency

Chartres, France, Nov. 5.

A veteran of two world wars, Albert Luttinger, a labourer, announced today that he would be a candidate in the next French Presidential election. He is 55 years old.—France-Press.

Continental TYRES

PREFERRED BY MILLIONS OF DISCERNING MOTORISTS

Available at
GILMAN MOTORS
and leading dealers

KING'S PRINCESS EMPIRE

TO-DAY

AT 2.30, 5.15, 7.20 and 9.30 P.M. AT 2.30, 5.30, 7.30 and 9.30 P.M. AT 2.30, 5.30, 7.30 and 9.30 P.M.



Capitol Liberty

2nd BIG WEEK

DAILY AT 2.30, 5.30, 7.30 & 9.30 P.M.

ON PANORAMIC SCREEN

M-G-M's BOLD

HOT-BLOODED, ROMANTIC DRAMA!



ALSO: LATEST "NEWS OF THE DAY"

R.O.X.U. & BROADWAY

SHOWING TO-DAY AT 2.30, 5.30, 7.30 & 9.30 P.M.

THE LAST DAYS OF THE MIGHTY APACHE NATION!



★ NEXT CHANGE ★

If you like Van Heflin in "SHANE", you will like "SOUTH OF ALGIERS" Better!



★ BOOKINGS NOW OPEN ★

SHOWING TO-DAY MAJESTIC

AT 2.30, 5.20, 7.20 & 9.30 P.M.



POP



Dog watch



British Exports: Blunt Warning By Thorneycroft

London, Nov. 5. Mr Peter Thorneycroft, President of the Board of Trade, said tonight that man-made obstacles, tariff barriers, Government restrictions and the "cold war" were holding up Britain's essential exports.

Though she was still holding her own share of trade, she was no more than holding it, he added.

FARMERS' "BUYING STRIKE"

French Union's Move

Paris, Nov. 5. The French National Farmers' Union tonight announced a week's "buying strike" from November 12 to 19 when pickets will be on duty to see that farmers do not buy anything.

The Union also announced it would intensify efforts to sell cattle direct to retailers as a protest against one of the farmers' main grievances—the big gap between the price paid for cattle on the hoof and that charged in the butcher's shop.

The "buying strike" was threatened by the farmers on October 21 when they gave the Government until tomorrow to do something about their troubles.

The Union said tonight it would wait and see how the situation developed before applying the other measures announced on October 21.

These were:

1. Road blocks on all roads throughout France.
2. Complete stoppage of deliveries of cattle.
3. Possible stoppage of other deliveries.
4. A "payments strike".
5. Withdrawal of all farmers' money from public-owned banks.

—Reuter.

Decision Annoys McCarthy

Ottawa, Nov. 5. Canada has told the United States that there is no reason why Igor Gouzenko, the Russian who disclosed a war-time Communist spy ring in Canada, should give information to a United States Congressional Committee, a Canadian External Affairs Department spokesman said today.

The United States State Department had transmitted a request that Gouzenko, now living in seclusion and under protective custody, be interviewed by a representative of the United States Senate Internal Security Subcommittee.

In New York, Senator Joseph McCarthy said: "It is inconceivable that any friendly Government would turn down a request for a United States Congressional Committee to hear testimony of men who might give information that would help to crack the Communist conspiracy in the United States." —Reuter.

TO-DAY ONLY

Cathay

AT 2.30, 5.30, 7.30 & 9.30 P.M.

ALL THAT IS GREAT IN SCREEN ENTERTAINMENT!

A DRAMATIC HIGHLIGHT FROM

W. SOMERSET MAUGHAM'S "ENCORE"

Starring Glynis Johns • Nigel Patrick • Kay Walsh

Eisenhower Call To Americans

Washington, Nov. 5. President Eisenhower, in an Anniversary Day proclamation, today urged Americans "to devote themselves to the task of promoting with fervour and zeal, a permanent peace among all the people of the world."

In calling for official observance of the day, the President said: "It is a wise custom to re-dedicate ourselves each year at this time to the prevention of armed conflict among nations." —Reuter.

Economic Expansion France's Main Aim

Paris, Nov. 5. The French Minister of Finance, M. Edgar Faure, said today that he hoped the national budget, tabled by the Government earlier than usual, would be voted on before the end of the year.

Speaking in the National Assembly, M. Faure said that the Government had to give priority to economic expansion policy. The vital problem facing the Government this year, he declared, was no longer the struggle against inflation, but that for economic expansion.

The French economy, M. Faure added, was particularly susceptible to the danger of inflation, and when the tide turned last year, the inflationary tendencies were quickly followed by signs of economic recession.

"We must leave this recession behind without falling back into inflation," he said.

M. Faure estimated that the total revenue of the 1954 budget would be 2,800,000,000 francs. The revenue for 1953 was about the same as in 1952, but industrial production would increase progressively by from four to five per cent between 1953 and 1954, and the wage level would increase by about three per cent during the same period.

The Government's fiscal reform plan, the Minister said, would be submitted to the Assembly within the next few days, but would not modify the budget. The plan includes measures to benefit the wage earners, and will take into account the need for a policy of economic expansion.

M. Faure turned to the question of investments, and while admitting that the present position of investments in the budget was too rigid and exercised in their present form an adverse influence on the nationalised enterprises, he said that they were necessary in some cases.

M. Faure called on the Assembly not to vote additional credits, or any expenditures exceeding the set mark. —France-Press.

French Reds Celebrate

Paris, Nov. 5. Neither M. Maurice Thorez, acting General Secretary of the French Communist Party, nor his usual deputy, M. Jacques Duclos, was present tonight when the party celebrated the 36th anniversary of the Russian Revolution.

The party met in the Velodrome d'Alger, the Paris indoor cycle track.

M. Auguste Leclercq, the party's Secretary, renewed the party's offer to co-operate with all French opponents of the European Army Treaty and the agreements restoring West Germany's independence.

M. Thorez returned to France this year after two years in Russia, where he received medical treatment for paralysis caused by a stroke. —Reuter.

TAPE-RECORDED MESSAGES FOR AMERICAN POWs

To Hear Families' Voices

Panmunjom, Nov. 6. America's 22 "pro-Communist" GIs will hear the voices of their own families when they are called for explanations, informed sources said today.

United States officers expect the Neutral Nations Repatriation Commission to approve their request to use messages tape-recorded by the families of the unrepatriated Americans.

The Commission's Chairman, Lieut-General K. S. Thimayya, told the United Press yesterday that he did not see any reason why that would not be permitted.

American officers charged with the unprecedented job of winning U.S. soldiers back to democracy have said privately that a personal appeal from home probably will do more good than any come-back arguments they could devise.

Some Americans suggested that the Army try parents of the 22 GIs to Korea to talk with their sons personally but the Army flatly rejected the proposal.

Recorded messages, filled with heartbreaking talk about an empty place at home, have been mailed to Panmunjom, and Gen. Thimayya's comment, plus precedents established by Communist explanations, lead to expectations that the Commission will approve the playing of the messages.

Observers pointed out that the Commission has approved the use by Red explainers of magazines featuring pictures and articles about repatriated POWs, amnesty letters from the Communist military commanders and other written appeals.

MAY WAIT

United States explainers are expected to wait until next month before opening persuasion talks with the GIs, hoping that the delay may weaken their reported acceptance of Communism.

Communist explanation tactics, meanwhile, threatened another delay in the talks to unrepatriated Chinese and North Koreans.

Losing their battle to win back their former soldiers, the Red persuaders have been steadily increasing mental pressure on the anti-Communist POWs by stretching interviews to as long as three hours.

Swiss Commission members walked out of the interview yesterday and observers expect them to do it again if Communist political officers continue their long harangues.

If the Indians caution Red explainers to shorten their interviews, Polish and Czech Commission members are expected to boycott the neutral group as they did before.

LITTLE TO LOSE

The Communists would lose little if they wrecked explanations, observers pointed out since Red political officers so far have convinced less than three per cent of interviewed prisoners to return home.

Only 64 out of 2,204 Chinese and North Koreans have accepted return to Red rule after hearing explanations.

Defying Communist demands, the Indians allowed Chinese prisoners rest periods during the interviews and some observers thought that this might be the first step toward a formal Indian objection to long explanations.

The Commission met yesterday to discuss the problem but apparently reached no agreement. —United Press.

West Germany Can Split The Atom

Düsseldorf, Nov. 5. Western Germany has installations to split the atom, Professor Riezler, of Bonn University, revealed today at a meeting of the Scientific Association.

Professor Riezler said that the most important installation was the cyclotron at the University of Heidelberg. —France-Press.

STAR

SHOWING TO-DAY AT 2.30, 5.30, 7.30 & 9.30 P.M.



HARRY ODELL presents LISA CZOBLE



VON SWAINE



Classical Ballet.
Monday & Tuesday
16th & 17th
November

Admission prices—
\$12.50, \$10.00, \$7.60,
\$4.70.

Bookings now open at the
EMPIRE THEATRE
and
Town Booking Office,
side lane, Shell House.

HONGKONG ESCAPE

by R.B. GOODWIN.

Numerous enquiries having been received a further supply has been ordered.

As the supply will be limited intending purchasers are asked to place their orders immediately.

\$15.

order from
SOUTH CHINA MORNING
POST, LTD.
Wynham Street
and
Bullsbury Road,
KOWLOON.

QUEEN'S & ALHAMBRA

2.30 5.15 7.20 9.30 P.M. 2.30 5.15 7.20 9.30 P.M.

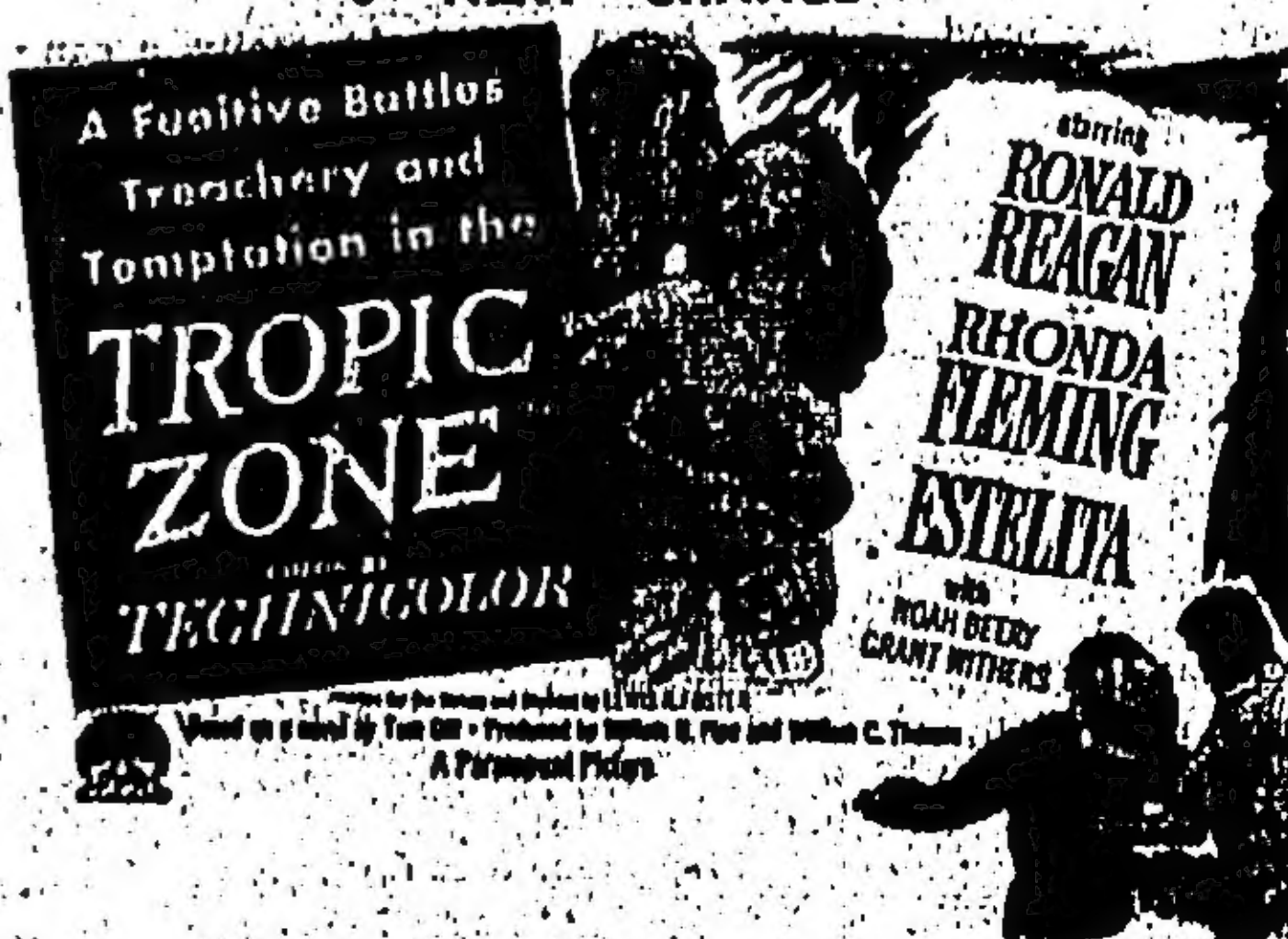
★ SHOWING TO-DAY ★

A JACQUES ROITFELD Production



EMPIRE PRINCESS

• NEXT CHANGE •



Burma Sharp

JAPANESE MISSION TO PEKING

Provisional Barter Contract Signed

Tokyo, Nov. 5. A provisional contract was signed between Communist China and the recent unofficial Japanese trade mission to Peking, bartering £1,500,000 worth of Japanese iron and steel products for 300,000 of 400,000 tons of Kailan coal in the January-March period next year, according to Mr. Uda of the Yodogawa Steel Works quoted by Jiji news agency.

Mr. Uda, who returned as a member of a Japanese inspection team to China, said if the ban on the export of iron and steel products to Communist China was not lifted by that time there would be no choice but to cancel the contract.

He remarked that China had asked the inspection team to arrange for the export of 4,000 to 5,000 tons of galvanized iron sheet each month, emphasizing that she was ready to accept a fairly high price.

Mr. Uda said that an increase in agricultural production in China had greatly improved prospects for exporting to that country bicycles and other light-type vehicles for the transportation of agricultural products.

He added it was encouraging that the majority of technological leaders in China were those who had studied engineering in Japan.—China Mail Special.

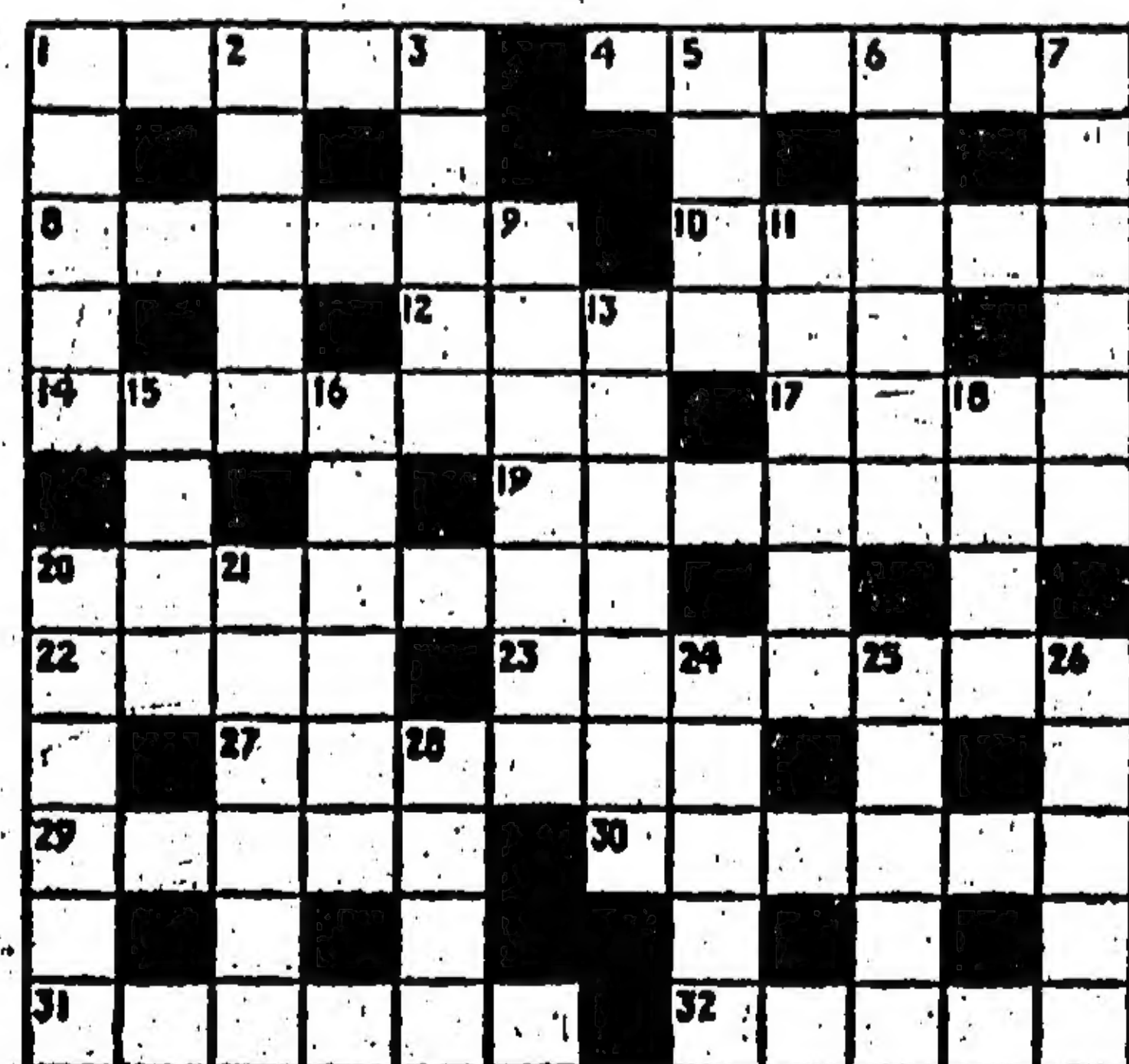
Preparing For Celebrations

London, Nov. 5. The official Soviet news agency, Tass, today reported heavy buying throughout the Soviet Union on the approach of the 36th anniversary of the Revolution on Saturday.

The agency, in a message received in London, said Moscow shops and stores had received nearly twice the quantity of goods as at the same date last year.

Traditional bazaars had been opened in almost all cities and workers' settlements. Prices at collective farms in Kiev were 10 to 20 per cent lower than last year, while the price of flour had fallen 50 per cent, Tass reported.—Reuter.

A British Crossword Puzzle



ACROSS
1 Young attendants (5).
4 Failed to hit (5).
8 Supposed (5).
10 Occurrence (5).
12 Gloomy (5).
14 Old ship (7).
17 Asterisk (4).
19 Strike (5).
20 Large church (7).
22 Poems (4).
23 Alarm (7).
27 Get back by payment (6).
29 Wanderer (5).
30 Proclamation (6).
31 Plaid (5).
32 First appearance (5).

DOWN
1 Spike of a fork (5).
2 Cook (5).
3 Vegetable (5).
5 Detail (4).
6 Lissom (5).
7 Sentimental (5).
9 Bishop's district (7).
11 Greater (5).
13 Registered disapproval (7).
15 Greedy (4).
16 Tenet (5).
18 Dye plant (4).
20 Tied up (5).
21 Body fibres (5).
23 Revise (5).
25 Pulse (5).
26 Throw out (5).
28 Dope (4).

YESTERDAY'S CROSSWORD—Across: 3 Afflict, 5 Lion, 9 Terrible, 11 Defeated, 13 Pact, 15 Composed, 18 Narrated, 19 Reap, 21 Dilatory, 25 Combined, 26 Flaw, 27 Redolent. Down: 1 Glad, 2 Serf, 4 Fret, 6 Lord, 7 Spent, 8 Tabor, 10 River, 12 Elope, 14 Cheer, 16 Salm, 17 Dread, 19 Recur, 20 Armed, 21 Dile, 22 Lean, 23 Out, 24 Yawn.

UN Delegate's Criticism Of Taipei Policy

"NO DESIRE TO SOLVE TROOPS PROBLEM"

New York, Nov. 5.

Further debate on the Burmese complaint against the presence of Nationalist Chinese troops in Burma was postponed today while the evacuation of 2,000 of the 12,000 troops there was being carried out.

The Political Committee of the United Nations General Assembly, which had been discussing this question since last Saturday, voted 60 in favour, three against with six abstentions, to defer further debate on this question during the next two weeks.

The move for postponement was made by Australia, Brazil, Canada, India, Mexico, New Zealand and Britain in a draft resolution circulated today.

The resolution would leave the question open pending the evacuation of 2,000 Nationalist Chinese troops from Burma. The United States informed the Committee yesterday that this evacuation was to begin on Saturday by air. It would continue until all 2,000 troops and their dependants were evacuated by November 15.

The resolution would postpone further consideration of the Burmese complaint to a date not later than November 23.

Opening the debate today, Mr. V. S. Krishna Menon of India said the real problem involved in the question of foreign troops in Burma was whether the evacuation of 2,000 Nationalist Chinese soldiers was the beginning of demobilisation of this aggressive force or merely the consolidation of these remaining.

India was concerned about whether an appeal would be made by the Formosa authorities to the 1,000 troops remaining after the preliminary evacuation to lay down their arms. There had been nothing in recent statements by the Nationalist Chinese Foreign Minister or Formosa or by the Chinese delegate in the United Nations to suggest that such an appeal is being considered.

THE FACTS

The evacuation of all these troops from Burma remained a political problem. It was an inescapable fact that large-scale evacuation was dependent upon the insistence of the Formosa Government. In the meantime, the United Nations could not permit Formosa to disavow responsibility for the Nationalist Chinese troops remaining, regardless of whether 2,000, 5,000 or even 9,000 guerrillas were evacuated.

"It would be unrealistic to ask us to accept the fact that the supplies of arms and food could have been maintained without the active support of the military organisation on Formosa," Mr. Menon said.

"What hurts Burma hurts us equally," he added. "We have no military alliances, but Burma is closely linked to us by many things and it is naturally of great concern to us that she should suffer."

U Myint Thain, the Burmese delegate, told the Committee that the continued presence of the Chinese Nationalist troops in a part of Burma, adjacent to China, itself was tantamount to baiting the Chinese people on the mainland to come to grips themselves with the Kuomintang troops, wherever they may be.

"That the People's Republic of China has shown tolerance and forbearance and respect for our borders despite the pinprick forays into Yunnan from bases in Burmese territory is commendable," he added.

"It shows a sense of decency which General Li Mi's troops are incapable of displaying."

ONLY INFERENCE

The problem had not been solved because the authorities at Formosa did not wish to solve it.

"The only possible inference is that to them the army in Burma constitute a symbol, an ineffective though it may be, of a crusade against Communism, a symbol towards which contributions flow readily," U Thain said.

He added that Formosa gave "full credit" to the United States and Thailand for their "earnest quest for a solution of the problem."

Dr. T. F. Tsiang, of Nationalist China, said his Government would have preferred to see the evacuation start without a number having been fixed.

"If the United States or the United Nations can proceed to get more to go, then my Government stands ready to receive them," he declared.

As for allegations that Nationalist China would disavow responsibility for those remaining in Burma, Dr. Tsiang said there was nothing sinister about the word itself.

"Disavowal is the one way in which we can exercise influence on those who do not want to leave," he said.

"They will be told that they do not have the support or sympathy of my Government. We expect that sort of disavowal to have an influence on the subsequent course of events."—Reuter.

ENVOY'S MISSION

Bangkok, Nov. 5. The American Ambassador to Bangkok, General William J. Donovan, will leave tomorrow by plane for Chiangrai in Northern Thailand to be present when General Li Mi's troops began their evacuation.

It was reported from Burmese sources in Bangkok that some of Li Mi's forces were moving so fast in the direction of Thachilek that they might arrive there before the agreed time, Sunday, November 8.

If they would come in too early into the Thachilek zone, with the neutrals not yet arriving, trouble might result on the spot. Therefore, the Burmese force at Thachilek has already asked the Thai frontier police to request the Chinese to slow down and to fit into the schedule.

This report surprised political circles here, as it was thought that General Li Mi's guerrillas would be reluctant to come to the disarmament place.—France-Press.

Marshal Paulus

Berlin, Nov. 5. Former Field Marshal Friedrich Paulus, who was recently repatriated from Russia to East Germany, is now residing in Weser-Hirsch, a health resort near Dresden, the German news agency, D.P.A., reported today.

British Role In European Defence

Brussels, Nov. 5. M. Paul Van Zeeland, the Belgian Foreign Minister, said today that units of the proposed European Army are expected to be "amalgamated" with British forces stationed in Europe.

The Minister said that while Dutch troops of the European Army are expected to be "amalgamated" with the British forces in northern Europe, Belgium's three divisions now stationed in Germany are expected to link up with the German forces to be called up when the European Defence Community Treaty is ratified.

M. Van Zeeland, who was answering questions from Opposition members at a special Parliamentary committee for ratification of the European Defence Community Treaty, said that while no decision had so far been taken on how national forces with the EDC should be integrated with each other and with the Atlantic Treaty Alliance, "agreements on this effect are likely to be concluded shortly."—Reuter.

Another War Not Inevitable

U.S. Defence Chief Reviews Position

New York, Nov. 5.

The American Secretary of Defence, Mr. Charles Wilson, does not share the despair of numerous individuals who believe that war is inevitable.

Stating this today, he added that many thoughtful people had come to the conclusion that war was inevitable judged by the record of history and their own observations.

"I happen to think the situation is not so hopeless," he said.

Mr. Wilson added that the enigmas of the 20th Century—the illusive, as yet unsolved, number one problem of our time—was how to achieve a durable peace after winning victory in war.

The clear purpose of the United States was to do everything that could be done to "avoid war" and to establish peace.

"What I am proposing tonight is that people of goodwill throughout the world devote an increasing amount of their time and effort to identifying the fundamentals of a lasting world peace, and that their political leaders start now to put such policies into effect in the hope that by doing the kind of things that would be necessary to establish world peace after another world war, the world war itself would be averted."

THREE FACTORS

Mr. Wilson believed peace could be preserved in the world. He based this on three factors: 1. Respect for the rights of man, a fundamental element of the American attitude in the world.

2. Scientific progress, which would permit humanity to increase its food resources as well as its standard of living without having to encroach upon a neighbour's territory.

3. International co-operation and the efforts by the United States to restore the economies and productivity of countries weakened by war.—France-Press.

Russian Reply To The West Regarded As Blow To Hopes Of A Better Relationship

London, Nov. 5.

Most British newspapers today saw the Soviet reply to the Western invitation to a four-power conference as a blow to hopes of a new and easier phase in East-West relations.

"The familiar unlovely deadlock is taking shape," the Liberal News Chronicle commented. The Times editorial was headed "Faded Hopes."

The Conservative Yorkshire Post said: "A further milestone has been reached in the arrangement between the East and West."

But the Labour Daily Herald said the Soviet reply should not be allowed to end the effort to get round-table talks with Russia. It called on the Prime Minister, Sir Winston Churchill, to hold his postponed Bermuda conference with President Eisenhower and press for an early top-level meeting with Russia.

"If he does so, 1953 may still become the year when the deadlock was broken," this newspaper said in an editorial.

The Conservative Daily Telegraph's Diplomatic Correspondent, commenting that it was more brusque than any previous note on the subject, said Russian experts thought that, for the purposes of long-term military planning, Moscow wanted to get a decision one way or the other on whether the European Defence Community Treaty, with a West German contingent, was going to come into existence.

In an editorial, the newspaper said the note did not actually reject the Western invitation—it did not even refer to it—but it said the Soviet Union set unacceptable conditions.

The Times said the note might have been written by Stalin himself and bore scarcely a trace of any change in the old policy.

AN AGGRAVATION

All Moscow newspapers devoted a whole page to reporting the Soviet rejection of suggestion of "Big Four" conference.

The Tass service was dominated this morning with the official text of Russia's reply to Britain, France and the United States.

It began its reports in German, Russian and English by giving the text of the British invitation sent on October 8. This note was identical to those from France and America.

In Washington, the industrial "Post" said it was a leading article that Russia appeared to be aggravating East-West tension rather than trying to relieve it.

"There is a growing belief here that at this stage of events, the Soviets cannot afford either war or peace, that all is far from being well with the Soviet Union, that its people are growing more and more restive, and the Communist regime is obliged, in the interests of its own preservation, to encourage by every possible means the illusion of danger from without," the paper said.

UP TO BRITAIN?

The French provincial newspaper Paris Normandie suggested that the next move was up to Britain.

"However disappointing the note may be, it would be a serious matter to conclude from it that the doors are closed, and that we must now without trying again, go ahead with rearmament in all its forms."

"Has not Britain, which has never been as intransigent as Washington about China, something to say? It may be hoped that Sir Winston Churchill will not give up. His personality can still do much," the paper said.

Three West Berlin newspapers said the Soviet note was "not surprising" as East Berlin newspapers did not mention the note.

The Christian Democratic Der Tag, in an editorial headed "Soviet Illusions," said it was disappointing that the four-power Lugano conference suggested by the West would not take place, but it was no surprise.

QUITE CLEAR

French reaction was also the main topic in the two other West Berlin newspapers commenting on the note, the United States High Commission newspaper, Neue Zeitung, and the Liberal Independent Morgenpost.

Neue Zeitung, under the headline "Nothing but Delay," said the strongest arguments on the note came from France.

Morgenpost said that the especially sharp French reaction made it clear that the Soviet Union could now no longer hope to disturb the discussions on the European Defence Community.

"We knew it all the time," Moscow does not want an understanding," Morgenpost said.

Two West German papers, the Independent leftwing Frankfurter Rundschau of Frankfurt and the independent Die Welt of Essen, suggested that the ignoring of the Lugano conference meant that the Soviet Union wanted to gain time.

The Rundschau said one of the reasons for this could be the truth in reports that Russia was suffering from an internal crisis and until this had been cleared up "the men in the Kremlin are surrounding themselves with armoured plate so far as foreign policy is concerned."

PROOF PROVIDED

But, the Rundschau said, Western reaction had proved that the Soviet rejection of a four-power conference had brought the West closer together than before.

Die Welt said it was probable that the Soviet Government was still not "firm enough in the saddle" since Stalin's death to make important foreign policy decisions.

Die Welt said: "If the Western powers in their efforts to bring about a European Defence Community carry on so slowly, if France on the Saar question and Italy and Yugoslavia on the Trieste question still stick to their attitudes for some time, and if some other conflicts break out in the West—why then should the Soviet Union hurry to seek a Lugano conference?"

The Christian Democratic Koelnische Rundschau of Cologne said it was noteworthy that a French-Foreign Office spokesman had used such strong words in criticising the Soviet note. The note had evidently been aimed at those who were still undecided about the EDC, especially France, and it tried to paint a black picture of Germany's "aggressive vengefulness."—Reuter.

Ceylon Selling China Rice

Colombo, Nov. 5. Ceylon has contracted to sell 3,000 tons of China rice to a European country. It was announced today. The country's name was not disclosed.

A Food official said the Government had decided to sell 60,000 tons of rice, but negotiations were going on for the export of a further 20,000 tons. Offers had been received from Saudi Arabia, Iraq and Mauritius.

The decision to sell China rice was taken owing to inadequate storage space in Colombo for rice imports under contract from China and Burma, he added.—Reuter.

CIRCUS BUSCH

BERLIN

Please Note Change of Times:

2 SHOWS DAILY at 6.00 & 9.00 P.M.

THE BIGGEST GERMAN CIRCUS EVER COME TO HONGKONG!

Come & see:

- 5 WILD LIONS!
- 3 TEDDY BEARS!
- THE STEY SISTERS!
- ALBERTO CLOWN CO.
- BUSCH'S CLEVELAND HORSES!
- FOUR ARABIANES!
- THE FLOWN MONOLIST!

Sole Agents: Hong Kong Entertainment Enterprises.

Fun for the young and old!

Bring your kiddies!

Bookings: 10 a.m. to 11 p.m. WING HONG PINK.

Horse, Queen's Road, C.

From 11 p.m. The Circus Grounds.

Prices: Adults from \$3.50. Children from \$2.00.

V. S. O. P.

COURVOISIER

COGNAC

THE BRANDY OF NAPOLEON

Acclaimed by Connoisseurs the world over

Sole Agents: GIBB, LIVINGSTON & CO., LTD. TEL. 38458

Parisian Grill

presents

PAT KAY

and

BETTY ANKERS

also

JACK GELLER

at the Hammond Organ

Rm. 2780 for reservation

TO-DAY

At 2.30, 5.30, 7.30 & 9.30 P.M.

OH! THE FUN! THE LAUGHS! THE LOVIN' THEY GOT!

MEET ME AT THE FAIR

TECHNICOLOR

DAN DAILEY

DIANA LYNN

A UNIVERSAL INTERNATIONAL PICTURE

HARRY ODELL

(by arrangement with A. Stok)

presents

SOLOMON (planet)

at the

EMPIRE THEATRE

Two recitals only.

Thursday, 12th November

and

Saturday, 14th November

at 9.30 p.m.

Admission prices:—\$29.70, \$20.60, \$15.40, \$10.20.

PLEASE BOOK NOW

Town Booking Office, side lane, Shell House.

What's best in
Kowloon?



Purchase
Your X'mas Gifts
at

SONA'S
18C, Carnarvon Rd.,
KOWLOON.

Comfortable, Safe, Invisible

**CONTACT
LENSES**

Most up-to-date style.
Worn without fluid.
Whole day wearing tolerance
No molding required.

For particulars, please contact
KOWLOON OPTICAL CO.
20, Camron Road, Tsimshatsui,
Head Office: 563, Nathan Rd.,
Branch Office: 71, Tai Po Rd.

X'mas Gifts
for
Home Children?

Please Contact

SUNNY COMPANY
90, Nathan Road.
Tel. 50185.

Prices Reduced

**HOLLYWOOD
BEAUTY PARLOUR**

Ladies: Cold Wave \$25.00
Machineless Wave \$14.00
Shampoo & Set \$3.50
Gents: Hair Cut \$1.50

Please phone 59249 for
appointment.

10, Carnarvon Rd., Kowloon.



SALE!

IDEAL X'MAS GIFTS

Canadian Mink, Russian Sable, Squirrel, Persian Lamb,
Alaska Seal, Canadian Fox, etc.
Orders Accepted for Despatch Throughout the World

SIBERIAN FUR STORE

134E, Nathan Rd., Kowloon, Hongkong. Tel. 59530.

Kee Long

32, Nathan Road, Kowloon
Tel. 50696

**ANNUAL AUTUMN SALE
FOR 15 DAYS ONLY!**

Latest Variety of Ready Made Ladies' Coats

20% Less

Various Kinds of Fur Coats, Capes, Stoles

& Latest & Attractive Designs of Cashmere,

Camel Hair & Various Kinds of Materials.

10% Less

Inspection Welcome Orders cordially Accepted

Mayai & Co.

LADIES & GENTS EXPERT TAILOR

Ready-made Coats, Suits, Evening & Cocktail Dresses, Camel
hair, Cashmere, Various Qualities of Woollen Materials for Winter
Garments. Mail Orders Accepted. Quick & Satisfactory Service

120 Nathan Rd. (Next to Princess Theatre) Kowloon.

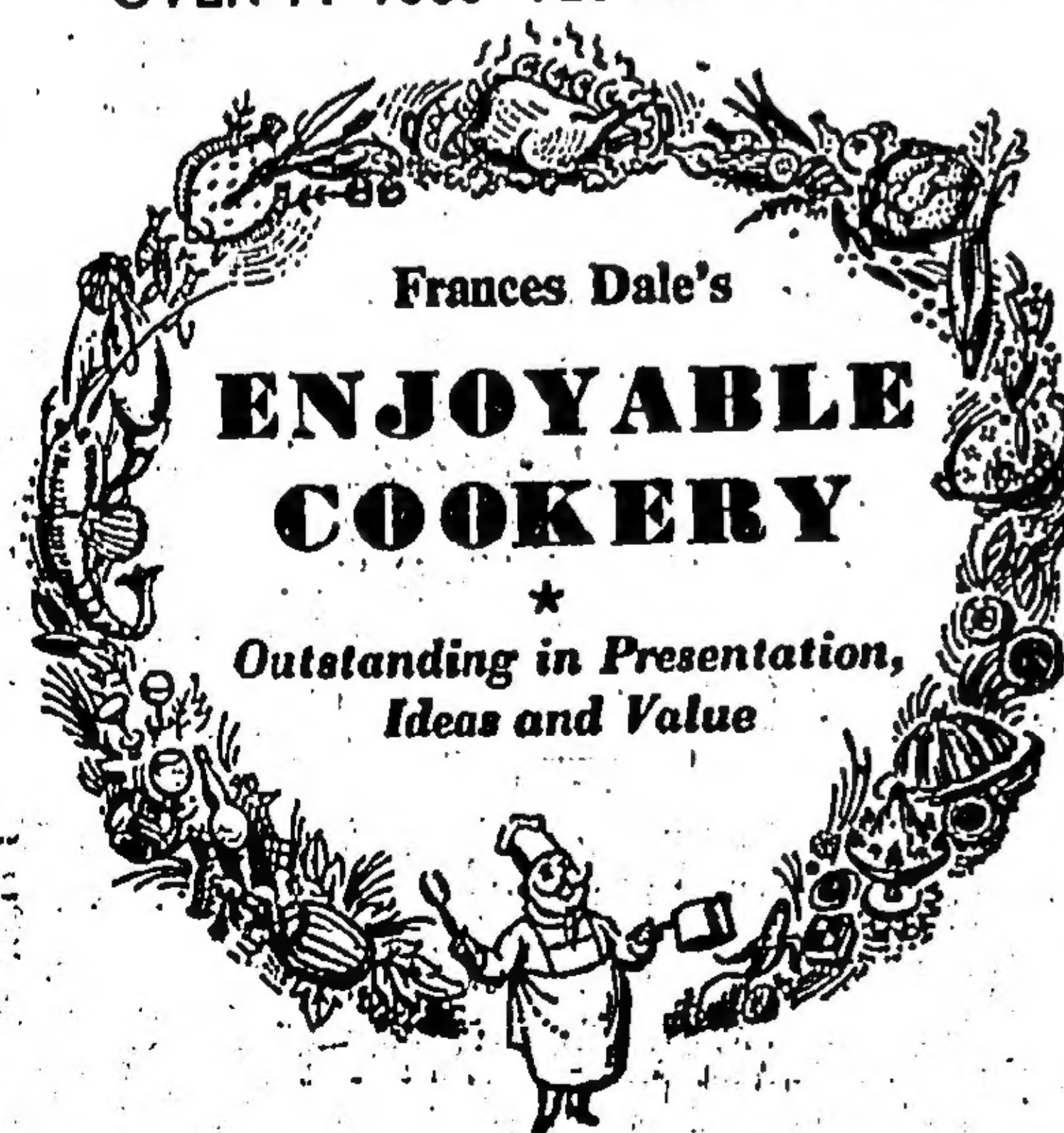
ZORIC DRY CLEANING

CAN ONLY BE DONE IN A "ZORIC" UNIT. THERE
IS BUT ONE IN THE COLONY. IT IS USED AT . . .

THE STEAM LAUNDRY CO.

Call 58266 For Collection and Deliveries

OVER A 1000 TESTED RECIPES



Frances Dale's

**ENJOYABLE
COOKERY**

★
Outstanding in Presentation,
Ideas and Value

The aim of this new Daily Express Cookery Book has been to design
palatable and nourishing meals for every taste and occasion, and to produce
them at a minimum of cost. Whether a quick snack, family meal or special
dinner is required, this book has the appropriate recipes with cooking
instructions simply explained.

Specialised chapters on invalid cooking, Chinese
cooking, old-time recipes, slimming diets
and etiquette.

Ten full-colour plates, more than 70 other illustrations.

PRICE \$15

S. O. M. Press.

HONGKONG AND KOWLOON.

Two Experienced British Airline Pilots Tell The Detailed, Expert Story Of How They Saw

THE FLYING SAUCER OVER THE CHANNEL

They Watched It, Measured
It, Discussed It Technically
For Over Half An Hour



Captain Peter Fletcher and First Officer Lemon

TWO experienced British European Airways pilots have reported to London Airport that on a recent flight to Paris they watched FOR 30 MINUTES a mysterious object in the sky that might have been a "flying saucer."

Captain Peter Fletcher, of Putney, has been a pilot for 18 years, first with the RAF and, since its beginning, with BEA; First Officer R. L. Lemon, of Iwer, Bucks, became a pilot in the RAF 14 years ago. Both are therefore trained observers as well as skilled pilots.

EACH DESCRIBED THE INCIDENT TECHNICAL-
LY AND DISPASSIONATELY. NEITHER HAS THE
LEAST DOUBT THAT HE SAW AN "UNUSUAL AIR-
CRAFT" OF SOME DESCRIPTION.

They agree, although they cannot prove it, that they were not deceived by a trick of light.

Here is their story, factual and unvarnished. It is told by Captain Fletcher:

OUR Elizabethan flight left London Airport at nine o'clock on the morning of October 9. There was a certain amount of low cloud and fog, but when we climbed we found ourselves in an absolutely clear atmosphere.

The sky was intensely blue. There was not a cloud. The sun shone brilliantly. It was one of those rare days when you could see an aircraft 50 or 60 miles away.

It was so clear that when we were over the English Channel we could see aircraft over the airport at Orly, 100 miles away, and if we had been high enough we could have seen the Alps.

I had reported our position to Control when we were over Seaford, Sussex. We were en route for Paris on a course of about 150 degrees. London radar said

that an aircraft was over-taking me on my left.

This aircraft, a Constellation flying some 50 knots faster than ourselves, passed on ahead and a few minutes later reached its cruising altitude of 13,500 feet and was in a position immediately ahead of me and above.

IMPORTANT

At this stage the relative position of my aircraft to the Constellation and the sun was such that the sun's light was reflected to me from the top surface of the aircraft's wing, making the lit surface very clear to see, while a darker shadow etched in the lower part.

This is important in view of later observations.

It was then that I first noticed the "flying saucer." It was apparently another aircraft above the Constellation and a little way to the left, and it seemed to

have similar sun reflections.

Bearing in mind that all airliners flying around Europe are basically of similar linear size—that is a wing span of 100 feet to 150 feet, I judged this other aircraft was flying at approximately 20,000 feet, and was about the same distance from me as the Constellation, or probably a further 20 miles away.

After watching the two aircraft—and I had no reason up to now to think that the other object was not an aircraft—it became apparent that there was a

subtle difference between the two.

I must get a little technical here. Both my aircraft and the Constellation were on precisely the same course and therefore its bearing from me remained exactly the same, but as it was drawing away from me at a greater speed, its relative position to me slowly changed.

As slight irregularities occurred in the path of the Constellation's flight, the intensity of light reflected from the upper surface varied.

Even when the Constellation was getting on for 30 miles ahead of me the irregularities of fuselage, engines and tail could still be distinguished, breaking up the reflecting surface of the top wing.

But it was quite different with our "flying saucer."

Food Production In Soviet Russia

A STORY OF FAILURE

By EDWARD ASHCROFT

AFTER more than 30 years of Communism, the rulers of the Soviet Union are no nearer to solving the problem of the peasant than they were at the beginning of the Revolution. Broadly, as Lenin saw this problem, the peasant had to be won over to the cause of the Revolution by the promise of land and then, gradually, he had to be "collectivised." There could be no question in a Communist State, of allowing the agricultural part of the population to continue indefinitely as even semi-free producers; that would have been politically impossible.

The advances towards, and the retreats from, the collectivisation of the peasants of the Soviet Union from 1919 to 1953 make a sad, though fascinating story—which has not yet ended. The retreats from the process of collectivisation have been dictated, not by any change of heart in the Kremlin but the simple fact that the Soviet Union needs food in ever larger quantities as its industrial population increases. In face of consistent passive resistance, sometimes savage on the part of the peasants, the State has been forced from time to time to make concessions in order to obtain more production.

Let us look very broadly at this failure of the Soviet system to produce enough food. Although the U.S.S.R. is one of the largest grain-growing areas in the world, the production of cereals, from the Bolshevik Revolution until today, has scarcely kept pace with increases in the population. This is admitted in the very restricted information which the Soviet Government has published, and which has been analysed in reports of the Economic Commission for Europe.

An Admission

In 1951 the output of grain was three and a half million tons below that of 1949, the year when output was expected to have recovered from the war. This could not be put down to harvesting conditions which, of course, varied from good to bad. And having sold their surpluses, the U.S.S.R. in 1952 the area sown

to grain was still less than that of 1940, and the targets for total production were not reached, although it was claimed that 90 per cent of all ploughing was done by machinery and 50 per cent of the harvesting and although the output of fertilisers was said to be double that of 1940.

More important than any figures, is the restrained, but none the less exclusive, admission recently made by Mr. Malenkov about the grain position in Russia. In his speech before the Presidium of the Supreme Soviet, he quoted figures showing that the production of industrial crops such as cotton and sugar beet was larger than in 1940, but corn, wheat and cereals that "our country is assured of bread." He went on to say that in many parts of the country collective and State farms had gathered in small harvests of grain and allowed big losses. "As a consequence of the under-development of agriculture, some of the collective farms still have insufficient revenue in money and yield little to the collective farmers." He put down what he called "the intolerable lag in livestock breeding" to the shortage of coarse grains for animal fodder.

Not The Case

This shortage of grain is the more extraordinary when it is remembered that before 1914 and for some time during the twenties the Soviet Union was a large exporter of wheat and coarse grains. Compared with that period, its exports today are negligible, particularly when it is borne in mind that Russian agriculture no longer feeds the enormous number of horses needed for traction. Further, since the end of the last war, the Soviet Union has had control of the great surplus grain-producing areas of Poland, Hungary and Roumania. One would have expected that these countries, cut off from normal trade relations with the West, would have been able to supply the Red Army, to help feed the people and to make much of the surplus for export. But the advertised propaganda gifts of grain and other agricultural commodities to Asian countries, and having sold their surpluses, it was to be expected that they

would have plenty left for themselves.

This has not been the case. Although the Russians claim that there has been an increased consumption of bread throughout the Soviet Union, there have been recurrent and sometimes severe shortages of bread and meat throughout satellite Europe. The reason is that the peasants in satellite Europe, like their brothers in the Soviet Union, have resisted collectivisation by lowering their production. This, combined with Russia's policy of importing food from the satellite countries at all costs and in spite of the market needs of these countries, has meant that the inhabitants of Warsaw, Budapest and Bucharest are often short of bread.

Low Yields

Yields of cereals have always been low in the Soviet Union. There is no evidence whatever that the average yield has increased substantially since 1919. Although the countries of Eastern Europe there is firm evidence that current yields are lower than in 1939. About yields, Mr. Malenkov made a most interesting statement. He said that, to intensify the struggle against losses of crops and to increase the amount of grain, it was essential to put an end to the incorrect practice of evaluating the results of the work of the collective farms merely on the basis of apparent yields and not on the basis of the amounts actually harvested.

This is a radical departure from the policy which Stalin introduced in 1932 of quoting all yield figures in a form known as "biological yields," i.e. based on estimates of the crops as they stood in the fields. This was to hide the real figures, which at the time were causing anxiety. Mr. Malenkov's decision springs from a realisation that the Government has become the victim of its own statistical distortion.

The Soviet Union acknowledges that cattle herds are smaller today than in 1939. There have been many official admissions about the unsatisfactory management of the large collective cattle farms in Central Asia. Pillaging by peasants and failure in management are the common crimes. It is increasing being found that the ap-

plication of collectivised or industrial techniques is a most inferior way of breeding beef or creating supplies of dairy produce. So Mr. Malenkov, in the speech already referred to, has decided that individual peasants must be encouraged (instead of discouraged) to keep cows privately and to sell animal produce on the free market.

He laid great stress on the need to increase dairy produce, and a few days after the speech it was announced that the Soviet Union had imported 30,000 tons of butter from the decadent Western countries, and from Australia and New Zealand, and was making arrangements to buy more. Before the war the Soviet Union was a regular exporter of butter. Britain, for example, in one year imported no less than 40,000 tons of Russian butter. The present shortage of protective foods, such as animal fats, is an eloquent commentary on the failure of Communist agriculture; particularly when one remembers that since the war the Soviet Union has absorbed the rich dairy-farming areas of Estonia, Latvia and Lithuania.

The picture of food production in the Soviet Union, a picture drawn from Soviet figures and corroborated by Mr. Malenkov's admissions, is a very different one from that in which the Soviet Union publicises its industrial production. The Communist world, with its "scientific management" of agriculture and stock-breeding, its huge output of tractors and fertilisers, is not, in fact, producing enough food adequately to feed itself.

Disappointing

Russia has much, perhaps, to show Asian and African Communists in the way of industrial production. No doubt, too, there can be an impressive "build up" for visitors, to illustrate the growth of industrial crops such as cotton in the Soviet Union. But a visit to the main food-producing areas of the Soviet Union would give a disappointing picture. Collective agriculture has failed to do more than provide for a steadily growing population a diet that continues to be overlaid with starchy foods and is poor in composition. Though alarming shortages have been prevented in recent years, Soviet collective farming provides merely the dull diet of a backward "agrarian" country, and not the diet required by a tolling industrial working class.

First Officer Lemon and I studied it intently. We had plenty of time. It had the appearance of two shallow saucers with their rims together. We noticed that its relative position to ourselves remained completely unchanged for the whole of the 30 minutes that we had it under observation. It appeared to be still.

2. The intensity of reflected light from the top surface remained absolutely steady until the last ten minutes of observation when it gradually dwindled away at a speed consistent with the changing position of the sun.

3. The top reflecting surface was smooth and unbroken. It was more highly polished than is normally the case with an aircraft's skin.

4. It had automatically classified the "stranger" as the Elizabethan that had taken off two or three minutes before me bound for Nice and reporting his cruising altitude as 19,500ft. But on crossing the French coast at Dieppe this aircraft reported its position behind me.

No aircraft reported crossing the French coast at a time that would have put it in the position of the mystery craft. I was at once interested in my unchanging neighbour and began to check up on the other aircraft in the vicinity.

SOME FACTS

I noted the following facts: 1. Low fog had prevented aircraft not only leaving London Airport, but by and large most of the U.K. aerodromes up to approximately 840 a.m. and I was the fourth to take off from London.

2. The three preceding me were a D.C.4 to Amsterdam, the Elizabethan to Nice, and a D.C.3 to Brussels.

3. No civilian aircraft leaving Northolt would comply with the height, direction, etc., of the mystery craft.

This eliminated all civilian aircraft flying from U.K. to France. I was left with the possibilities of a Service jet or an Air France Comet.

We ruled out the latter possibilities because neither a jet nor a Comet would maintain for 30 minutes a course exactly the same without showing some variation in apparent position relative to our own aircraft, for they would be flying twice as fast. Remember also that we could see variation in the apparent position in the Constellation.

The most striking thing to both of us was the absence of fluctuation in the intensity of the reflected light.

I admit that at one time I toyed with the idea that it might be a balloon. But it would obviously have had to be an enormous balloon and later observation confirmed the elliptical shape. In this it had the properties of an aircraft wing, being roughly one-tenth as deep as it was long.

It was impossible to estimate the size of the object because

we did not know how far away it was from us. The day was so clear that it could have been an extremely large craft up to 100 miles away.

Given the size of an object one can estimate its distance away. Given the distance one can estimate size. We know neither.

It certainly looked as big as the Constellation and was further away from us. How far we could not judge but we estimated that it was somewhere over Northern France.

TWO R.A.F. officers and three airman reported seeing a silvery circular object following a Meteor jet which was landing at a Yorkshire aerodrome during exercise Mainbrace last year.

They said that the "flying saucer" was at about 10,000 feet and after apparently revolving on its axis it sped to the westward at a terrific speed.

The Sunday Dispatch then revealed that the R.A.F. made a serious investigation into the report and did not dismiss it as "meteorological phenomena."

Recently the Air Ministry said that the special department which was set up to investigate reports of "flying saucers" has received Captain Fletcher's report and experts are now evaluating it.

Neither of us has any doubt about one thing: We were not deceived by a trick of light.

WE HAVE NO DOUBT WHATSOEVER THAT THE OBJECT WAS SOLID, HAVING A SHAPE APPROXIMATELY THAT OF AN AIRCRAFT WING AND THAT IT WAS CONSTRUCTED OF A METAL SIMILAR TO THAT USED FOR AIRCRAFT CONSTRUCTION. ONLY MUCH MORE HIGHLY POLISHED.

In 18 years of flying I have never seen anything like it. If it had been visible for a few seconds or even for a few minutes I would have dismissed it as an illusion or a trick of light.

NO TRICK But we had our "saucer" under observation for a full half-hour. We had time to consider it, to estimate its size. Our radio officer saw it and we brought along the steward to confirm what he saw.

Certainly we saw something material in the sky. Whether or not it was a "flying saucer" we cannot say.

But we will not dismiss it as a trick of imagination, not after 30 minutes of wondering what it could be.

If it wasn't another conventional aircraft, and I have given my reasons why we do not think it was, then what was it?

Maybe your guess is as good as mine . . . but we saw it.

Something more
than just "Good!"



Caster — a sugar
of superfine quality.
Pure, white crystals
hygienically packed.

**Caster
TAIKOO
SUGAR**

In
1 pound packets
& 35 pound tins

obtainable from all
shops and stores

BUTTERFIELD and SWIRE

CHINA NAVIGATION CO., LTD.

SAILINGS TO

"FUNGING"	Bangkok	8 a.m. 8th Nov.
"ANSHUN"	Singapore & Penang	10 a.m. 10th Nov.
"FENGTIEN"	Djakarta, Semarang, Surabaya & Macassar	8 a.m. 12th Nov.

ARRIVALS FROM

"FENGTIEN"	Kobe	8th Nov.
"TAIHOI"	Shanghai	9th Nov.

A.O. LINE LTD./C.N. CO., LTD., JOINT SERVICE

SAILINGS TO

"TAIPING"	Sydney	21st Nov.
-----------	--------	-----------

ARRIVALS FROM

"TAIPING"	Kobe	10th Nov.
-----------	------	-----------

BLUE FUNNEL LINE

Scheduled sailings to Europe via Aden & Port Said

Ship	Destination	Departure	Arrival
"ATREUS"	Liverpool & Glasgow	13th Nov.	14th Nov.
"BELLEROPHON"	Liverpool & Dublin	23rd Nov.	24th Nov.
"MENTOR"	Genoa, London Rotterdam, Amsterdam, Antwerp & Hamburg	23rd Nov.	26th Nov.
"PATROCLUS"	Antwerp, Liverpool & Glasgow	5th Dec.	6th Dec.
"ANTIOCHUS"	Liverpool & Glasgow	13th Dec.	14th Dec.

Scheduled sailings from Europe

Ship	Destination	Departure	Arrival
"MENTOR"	Liverpool	10th Nov.	11th Nov.
"PATROCLUS"	do	17th Nov.	18th Nov.
"ANTIOCHUS"	do	24th Nov.	25th Nov.
"CYCLOPS"	do	30th Nov.	1st Dec.
"AUTOLYCUS"	3rd Nov.	8th Dec.	9th Dec.
"PERSEUS"	7th Nov.	13th Nov.	14th Dec.
"ANCHISEUS"	18th Nov.	23rd Dec.	24th Dec.
"CLYTONEUS"	24th Nov.	29th Dec.	30th Dec.

G. Loading Glasgow, before Liverpool, S. Loading Swansea, before Liverpool. Carriers' option to proceed via other ports to load & discharge cargo.

DE LA RAMA LINES

ARRIVING FROM U.S. ATLANTIC & PACIFIC COAST PORTS.

Ship	From	Arrival
"DONA NATI"	Sailed	8th Nov.
"BENARES"	do	14th Nov.
"AJAX"	do	4th Dec.
"HAINAN"	15th Nov.	14th Dec.
"AGAMEMNON"	10th Nov.	2nd Dec.

SAILING FOR NEW YORK, via SAN FRANCISCO, LOS ANGELES & CRISTOBAL.

Ship	Departure	Arrival
"TELEMACHUS"	19th Nov.	20th Nov.
"DONA NATI"	4th Dec.	5th Dec.
"BENARES"	10th Dec.	20th Dec.

Accept cargo for Kingston and Central & South American ports on through bills of lading.

Tathay Pacific Airways Ltd.

Route	Depart Hongkong	Arrives H.K. (on return)
HK/Bangkok/Singapore (Connects at Bangkok with U.S.A. on Tuesdays for Rangoon)	(DC-4) 7.00 a.m. Tue. Fri.	7.15 a.m. Sat.
HK/Manila/B.N. Borneo (DC-3) 6.30 a.m. Tue. Fri.	3.45 p.m. Wed. Sat.	3.45 p.m. Thu. Sun.
HK/Singapore/Hongkong (DC-4) 11.00 a.m. Wed.	2.00 p.m. Thu.	2.00 p.m. Fri.
HK/Hongkong/Hongkong (DC-4) 10.00 a.m. Wed.	2.40 p.m. Thu.	2.40 p.m. Fri.
HK/Calcutta (DC-4) 11.00 a.m. Sat.	4.30 p.m. Sun.	4.30 p.m. Mon.

All the above subject to Alteration without notice.

for particulars please apply to:-
Butterfield & Swire (Hongkong) Ltd.
 1 Connaught Rd. Tel: 30331/8
 Branch Office: 50 Connaught Rd. West. Tel: 25875, 32144, 24878

EVERETT LINES

EVERETT ORIENT LINE

Fast regular freight—refrigerator—passenger service to Korea, Japan, Philippines, Indo-China, Siam, Malaya, Rangoon, Calcutta and Chittagong.

"NOREVERETT"

Arrives Nov. 26 from Singapore.
Sails Nov. 27 for Kobe & Yokohama.

"REBEVERETT"

Arrives Dec. 2 from Manila.
Sails Dec. 3 for Singapore, Penang, Rangoon & Calcutta.

(Accepting cargo for transhipment Kobe/Pusan and Kobe/Okinawa)

EVERETT STAR LINE

Fast regular freight—refrigerator—passenger service to Korea, Japan, Philippines, Indo-China, Siam, Malaya, Colombo, Bombay, Karachi and Persian Gulf Ports.

"THAI"

Arrives Nov. 7 from Manila.
Sails Nov. 8 for Singapore & Sandakan.

"LAO"

Arrives Nov. 16 from Japan.
Sails Nov. 17 for Singapore, Port Swettenham, Madras, Colombo, Bombay, Karachi, Khorramshahr, Basrah & Bahrain.

"STAR ARCTURUS"

Arrives Nov. 19 from Singapore.
Sails Nov. 20 for Pusan, Kobe & Yokohama.

"THAI"

Arrives Nov. 26 from Sandakan.
Sails Nov. 27 for Okinawa, Kobe & Yokohama.

(Accepting cargo for transhipment Kobe/Pusan and Kobe/Okinawa)

EVERETT STEAMSHIP CORPORATION S/A

(Incorporated in the Republic of Panama. With Limited Liability)

Queen's Building, Telephone 31206.
Chinese Department: Telephone 28293.

CHINA MAIL

HONGKONG PUBLISHED DAILY (AFTERNOONS)

Price, 20 cents per copy. Saturdays 30 cents. Subscriptions: \$3.00 per month. Postage of China and Macao \$3.00 per month. U.K., British Possessions and other countries \$7.00 per month. News contributions, always welcome, should be addressed to the Editor, business communications and advertisements to the Secretary. Telephone: 2411 (5 lines).

KOWLOON OFFICE:
Sally Road, Telephone: 522.

Classified Advertisements

20 WORDS \$4.00

FOR 1 DAY PREPAID

ADDITIONAL INSERTIONS \$1.50 PER DAY

10 cents PER WORD OVER 20 Births, Deaths, Marriages, Personal \$5.00 per insertion not exceeding 25 words, 25 cents each additional word. ALTERNATE INSERTIONS 10% EXTRA

If not prepaid a booking fee of 50 cents is charged.

POSITIONS VACANT

ACCOUNTANCY, Book-keeping, Company Secretary, Costing, Auditing, etc. For Free Booklet, write to: The Institute of Accountants, 10, Colindale Avenue, London, N.W.9.

POSITIONS WANTED

A law student, formerly government servant, seeks position in law firm or other suitable establishment. Has good command of English and Chinese, also a "Military" certificate. Box 7, "China Mail".

TUITION GIVEN

BALLROOM DANCING—Private lessons arranged. "American" style dancing—new classes opening. (enrol today) phone 2094. Tony Wong, 50 Wengchong Road, Tsim Sha Tsui.

FOR SALE

WATERPROOF. Plastic for waterproofing of the like 40 inch. 100 yd per yard is offered. H. Nye Jensen, Vedroffvej 11, Copenhagen V, Denmark.

NOTICE

CHINA LIGHT AND POWER COMPANY, LIMITED.

Notice to Shareholders

Notice is hereby given that the Directors of the China Light & Power Company Limited intend to recommend at the Annual General Meeting a Final Dividend of 70 cents per share, free of tax, on fully-paid shares in respect of the year ended 30th September, 1953.

Dividends will be paid on a pro rata basis in respect of partly-paid shares.

By Order of the Board of Directors,
P. W. A. WOOD,
Secretary & Chief Accountant.
Hongkong, 4th Nov., 1953.

NOTICE TO CONSIGNEES

CONSIGNEES PER
HARDER-WILHELMSEN LINE
M.S. "AROS"

are hereby notified that their cargo is being discharged into the Hongkong & Kowloon Wharf & Godown Co's godown where it will be at consignees risk and subject to the Wharf's terms and condition of storage, and where delivery may be obtained.

Damaged packages are to be left in the godown for examination by Consignees and the Company's surveyors. Messrs. Goddard & Douglas at 10 a.m. on the 6th November, 1953.

To comply with the General Bonded Warehouse Regulations, consignees must have a Revenue Officer in attendance when damaged dutiable goods are examined.

No claims will be admitted after the goods have left the steamer's godown, and all goods remaining undelivered after the 10th November, 1953, will be subject to rent.

All claims against the steamer must be presented to the Underwriter on or before the 15th November, 1953, or they will not be recognised.

No Fire Insurance will be effected.

PODWELL & CO., LTD.
Agents.

Hongkong, 4th November, 1953.

We buy and sell
DIAMOND, JADE, SAPPHIRE
ASTOR JEWELLERY CO.
63 QUEEN'S ROAD C.
TEL: 21750

Military Alliance Between U.S. And Pakistan Suggested

New York, Nov. 5. The New York Times today indicated that a military alliance between the United States and Pakistan at the present time could help regional defence arrangements in the Middle East.

Commenting editorially on next week's visit of the Pakistani Governor-General to President Eisenhower, the paper said:

"There are several factors that make a closer association with Pakistan desirable from our point of view. First of all the young nation is developing rapidly along the sturdy democratic lines we admire. It is solving its constitutional problems with genuine zeal and has just made another important move with the decision to set up a republic, presumably still within the Commonwealth framework. Economic and social progress also are being made at a rapid rate."

"Moreover Pakistan has an important military potential. It is the most populous of the Moslem States and has a long and honourable 'martial' tradition. What is now Pakistan contains districts that long ago manned some of the finest units of the Indian Army. There is plenty of courage and skill among the Pakistanis for a first class fighting force if one is needed. There has been some hesitation about open discussion of a defence pact between Pakistan and this country because of the probable opposition in India to any arrangement that would make Pakistan stronger. If the Kashmir dispute could be resolved most of the ground for such opposition would evaporate."

"Meanwhile, however, the Indians could have an assurance from the United States that any military assistance to be given Pakistan would not be construed as any sort of anti-Indian gesture. We and the Pakistanis would be associating ourselves in the common cause of freedom's defence and that defence might well be as vital to India in the long run as to Pakistan."

—United Press.

NOTICE

BANK HOLIDAY

The Exchange Banks will be closed for the transaction of public business on Monday, 9th November 1953. (The day following Remembrance Sunday).

Hongkong, 6th Nov., 1953.

Envoy At Kremlin

London, Nov. 5. M. O. M. Gurtis, newly-appointed Finnish Ambassador to the Soviet Union, presented his letters of credence to Marshal Kliment Voroshilov, Chairman of the Presidium of the Supreme Soviet, today, the Soviet News Agency, Tass, reported.—Reuter.

Messageries Maritimes

P.O. BOX 53 Queen's Building. Tel: 26651.

HONGKONG TO CASABLANCA IN 30 DAYS

"IRAOUADY"

SAILING 22nd NOVEMBER

for
Marseilles, Algiers, Oran, Tangier, Casablanca, Le Havre, Antwerp, Rotterdam, Dunkirk.

MANDRAKE THE MAGICIAN

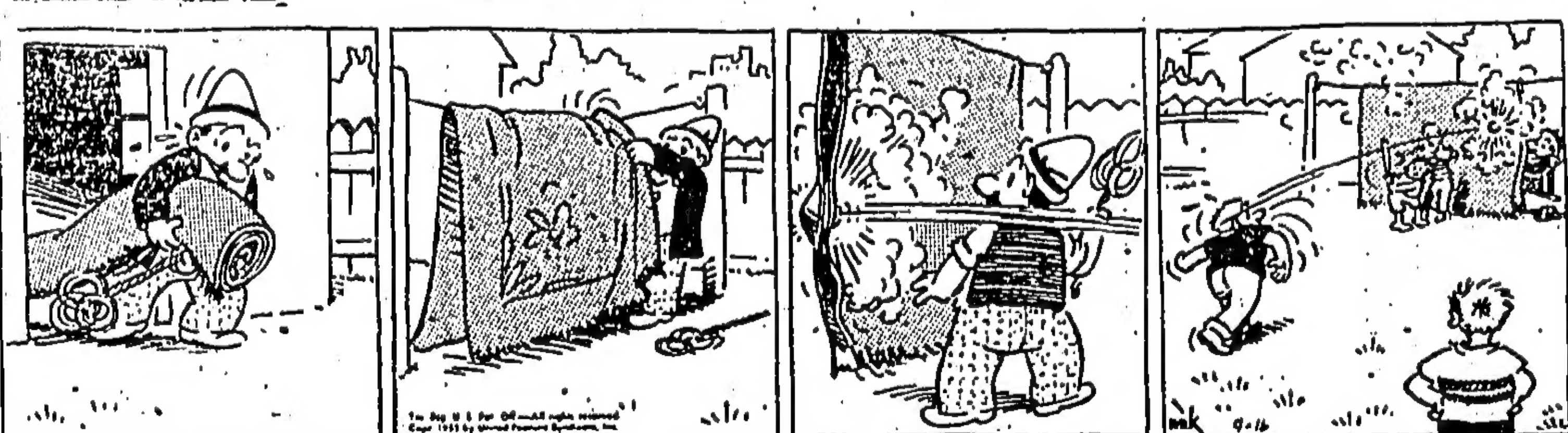
By Lee Falk and Phil Davis



FERD'NAND

Echoes Of Huck Finn

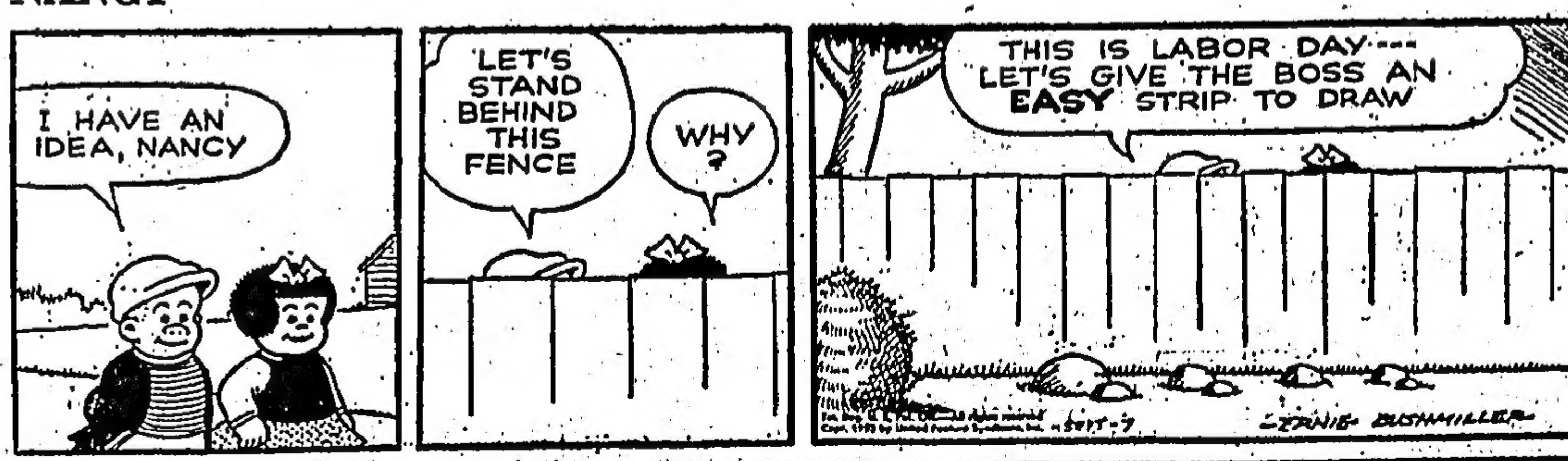
By Mik



NANCY

Considerate

By Ernie Bushmiller



JOHNNY HAZARD

By Frank Robbins



P&O B.I.E&A COMPANIES

PENINSULAR & ORIENTAL S.N. CO.

PASSENGER/FREIGHT SERVICE		
Outwards	Leaves	Due
"CANTON"	15th October	10th November
"CANTON"	12th November	14th December
"CORFU"	10th December	11th January
"CHUSAN"	10th December	16th January
Via Southampton, Port Said, Aden, Bombay, Colombo, Penang & Singapore		
Homewards	Leaves Hongkong	Due London
"CANTON"	15th November	20th December
"CANTON"	17th December	17th January
"CORFU"	15th January	15th February
"CHUSAN"	20th January	1st March
Accepting cargo for Singapore, Penang, Colombo, Bombay, Aden, Port Said & London		

FREIGHT SERVICE

Homewards	Sails	For
"SONALI"	15th November	Singapore, Penang, Port Swettenham, Colombo, Aden, Port Said, Genoa, Marseilles, Havre, London, Antwerp, Rotterdam & Hamburg

With liberty to call at Belawan before or after Straits Ports and at Bombay if inducement offers.

Tanks available for cargo of Oil in Bulk. Space for refrigerated cargo. Limited Passenger accommodation.

BRITISH INDIA S.N. CO., LTD.

Ship	In Port	From
"ANKING"	10th Nov.	from Singapore
"FULTALA"	10th Nov.	from Kobe
"SANTHA"	10th Nov.	from Japan
"ANKING"	10th Nov.	from Singapore, Penang, Rangoon & Calcutta
"ANKING"	10th Nov.	from Japan
"ANKING"	10th Nov.	from Japan

P. G.O.B. I. JOINT SERVICE

Ship	In Port	From
"ORMARA"	10th Nov.	from Japan
"ORMARA"	10th Nov.	from Singapore, Colombo, Bombay, Karachi, Khorramshahr, Basrah direct & other P. Gulf Ports via Bombay
"OZARDA"	10th Nov.	from P. Gulf, Karachi & Colombo
"ORDIA"	10th Nov.	from Yokohama & Kobe
"ORDIA"	10th Nov.	from Japan
"ORDIA"	10th Nov.	from Singapore, Colombo, Bombay, Karachi, Khorramshahr, Basrah direct, other P. Gulf Ports via Bombay
"ORNA"	10th Nov.	from P. Gulf, Karachi, Bombay, & Singapore
"ORNA"	10th Nov.	from Japan

EASTERN & AUSTRALIAN S.S. CO., LTD.

Ship	Due	From
"EASTERN"	10th Nov.	from Australia
"EASTERN"	10th Nov.	from Yokohama & Kobe
"EASTERN"	10th Nov.	from Japan
"EASTERN"	10th Nov.	from Brisbane, Sydney, Adelaide & Melbourne

All vessels have liberty to call at any ports on or off the route & the route & sailing are subject to change or amendment with or without notice.

For full particulars apply to:-

MACKINNON, MACKENZIE & CO.

OF HONG KONG LTD.

Telephone Nos. 2772-4.

Only Hope Of Avoiding A New War

Paris, Nov. 5. Nobel Peace Prize winner Albert Schweitzer said today that the development of a new moral spirit was the only hope for avoiding a new world war.

Dr Schweitzer told the United Press: "The world can achieve peace only by the coming of a new spirit, more reasonable and more moral than that of the present."

"The dangers and anguish in which people now live are forcing individuals and whole peoples to recognise the necessity of this new spirit which will make possible a solution of problems among peoples that are insoluble today."

"Individuals can and must try in Christian humility and modesty to contribute to the creation of this new spirit."

"I believe my idea of respect for human life constitutes a deepening and revitalising of morality which can have this effect."

The 78-year-old philosopher, musician and doctor-missionary, said that he would use the \$33,000 prize money to "construct a village with good houses for numerous people cared for at my hospital" in the jungle leper colony at Lambare, French Equatorial Africa.

"Part of the prize will serve to help other workers of charity," he added.—United Press.

Snow In Carnarvon

Carnarvon, Nov. 5.

The first snow of winter fell in the Carnarvonshire mountains today. The highest peaks above 2,800 feet were covered with white powder snow.—China Mail Special.

...this situation calls for a

San Miguel

Crown Prince Akihito Returns Home



Crown Prince Akihito of Japan, back from his six-month tour of Europe and the United States, tells his father, mother, brother, and sister about his journey at the Imperial Palace in Tokyo.—Express Photo.

Dr Syngman Rhee Manoeuvring To Gain Still More Power

Seoul, Nov. 6.

Following the armistice in Korea, President Syngman Rhee has begun manoeuvres to gain more power in South Korea, and there are indications that his ultimate objectives are to win himself a life-time Presidency and the right to dissolve the National Assembly.

Whaling By Helicopter

Tokyo, Nov. 5.
Japan's first helicopter for whaling was today christened Kullra (whale) at Tokyo's airport.

The helicopter owned by the Taiyo Fishery Company, will be put aboard the mother ship Nishin Maru (17,000 tons) of the whaling fleet.

The helicopter is equipped with radio direction and is capable of cruising for four and a half hours at a stretch at a speed of 60 miles per hour.—China Mail Special.

SHOWING GOOD MANNERS

Belgrade, Nov. 5.
A high Yugoslav source said today that Yugoslavia's Communist neighbours seemed to have abandoned their deliberate policy of creating border incidents and recently had begun to show "good manners on the frontier."

Albania, with whom talks on investigation of frontier incidents broke down in September, has now offered to reopen the talks and to meet Yugoslav's objections, the source said.

Yugoslavia has negotiated agreements with Hungary and Rumania on the joint investigation of frontier incidents, while the Soviet Union, Hungary and Bulgaria again have full diplomatic representation in Belgrade instead of only Charge d'Affaires, which all Cominform countries maintained there before Stalin's death.

The source disclosed that Yugoslavia would shortly send an Ambassador to Bulgaria and a Minister to Hungary, but their names have not yet been announced.

Yugoslavia has for several weeks had an Ambassador in Moscow.

Border incidents are still taking place. For instance, a Yugoslav frontier guard was abducted into Bulgaria last week, while in the last week of October, Hungarian frontier guards twice opened fire on Yugoslavs. But these were regarded in Belgrade as individual incidents, and not part of a deliberate policy, the source said.—Reuters.

Schools Will Stop Teaching English

Rajkot, Nov. 5.
The West India State of Saurashtra decided to cut out English entirely from its primary school curriculum to begin next year. All teaching will be carried out in regional languages.

One basic system of training is being introduced for all schools ending at the age of 14. Emphasis will be placed on handicrafts.—China Mail Special.

TRADE and COMMERCE SECTION

Tonnage Replacement Now Becoming Urgent Problem In Britain

MANY CANCELLATIONS OF ORDERS

Report of the council of the Navigators' and Engineer Officers' Union, presented at the annual meeting in London, refers to taxation and the cost of new tonnage as two factors which are adversely affecting the more rapid replacement of obsolete tonnage in the British Merchant Navy.

In the opinion of the council, the report states, the shipping industry should be enabled to provide new tonnage out of earnings, thereby avoiding dependence on external finance for the modernisation of our Merchant Navy.

With taxation at its present rate it is impossible for tonnage to be replaced on this basis, and the result of the unimaginative attitude of successive British Governments in regard to taxation of British shipping is evidenced by the decline in our dry cargo tonnage and advancing age of much of that tonnage.

If shipping is to be expected in the future—as in the past—to be a main contributor to our balance of payments position, it is the duty of the Government to make it possible for obsolete tonnage to be replaced by modern and efficient ships.

In the considered opinion of the council this national necessity cannot be achieved if taxation continues to be levied on the industry at present levels.

CLEAR INDICATION

The council, however, emphasises that if ways and means can be found to assist the shipping industry in the direction indicated, steps must be taken to ensure that any tax levied on the industry until such time as new ships are either ordered or delivered. The urgency of the problem may be gauged from the fact that taxation, together with the cost of new tonnage, has resulted in orders for new ships being cancelled. Surely no clearer indication is needed, and unless the shipping industry is placed in a position where it can build new ships, it will be seriously undermined, and unemployment for seafarers, which it was hoped was a thing of the past, become a reality of the future.

Germany has now a fleet of approximately 1½ mn. gross tons, and over 1 mn. tons building. Japan has increased from 1 mn. tons in 1948 to 2.8 mn. tons in 1952, and has a substantial number of ships on order.

Such are the issues facing the industry, and it surely cannot be intended that taxation and high building costs should succeed where Hitler failed, namely, to drive British shipping slowly but surely from the seas of the world.

The council expressed its surprise at the dilatoriness of many governments in subscribing to the convention providing for the establishment of the International Maritime Consultative Organisation. The organisation is required by the convention to encourage the removal of discriminatory practices and unnecessary restrictions by Governments which affect shipping engaged in international trade, so as to promote the availability of shipping services to the commerce of the world without discrimination.

Dr Rhee has another card if he meets difficulties from the Assembly. Last Summer, under pressure by Dr Rhee, the Assembly approved the establishment of a 60-member Upper House. Of the 60 members, half are to be appointed by Dr Rhee. He had not ordered the election, but could do it whenever he thinks necessary.—China Mail Special.

Village In An Uproar

Tokyo, Nov. 5.

The National Police today launched an investigation of an incident when 300 villagers attacked a party of Government officials and press reporters at Numokata town, Ibaragi prefecture, north of Tokyo, on Wednesday.

The villagers had been opposing a Government project to prevent flood.

They beat up officials and reporters, some of whom received serious injuries.

The villagers said the project would deprive them of land. They said the reporters were acting as "running dogs" of the Government and misrepresenting the villagers' case.—China Mail Special.

VALUABLE FIND

Wildshausen, Nov. 5.

Workmen cleaning murals dating from the 14th and 15th centuries in the Alexander Basilica Church discovered under them others dating from about 1200.

Restoration men were called in and so far have uncovered other murals of this period showing scenes of Christ's Passion. They are in good condition.—China Mail Special.

VOLUNTARY BASIS

Serious situations require, on occasions, drastic remedies. The council therefore suggests to her Majesty's Government that they take the initiative and, with those countries who have ratified the convention, establish machinery and an organisation on a voluntary basis, so giving a lead to the maritime countries of the world, which would be warmly welcomed by many.

Furthermore, the council believes that if courageous steps of this kind were taken many of the important maritime countries at present sitting on the fence would quickly realise that they could ill-afford to remain aloof from such an organisation.

The council is not unmindful that the constitution of I.M.C.O. provides for the establishment of a maritime safety committee, and is of the opinion that safety of life at sea is of such importance that it should, in all its aspects, be kept continuously under review by a specialised staff. It is not sufficient for this matter to be dealt with by periodic diplomatic conferences at intervals of 20 years, and the council hopes that steps will be taken to establish, even if on a voluntary basis, the international machinery envisaged by the convention.

COASTWISE SHIPPING

In a reference to coastwise shipping, it is stated that the council has given attention to the many and varied aspects affecting the interests of merchant shipping in the coastwise and short-sea trades.

One of the most contentious issues is the discrepancy so frequently existing between those officers whose hours are regulated directly as compared with those officers whose overtime is compensated by means of a consolidated payment. This matter has been the subject of negotiations with the shipowners, but no adequate solution has yet been found.

It cannot be emphasised too forcibly that in many countries the earnings of seafarers, when carried, and in many cases those of the ratings, are in excess of the total emoluments of senior officers. If this state of affairs is allowed to continue, many officers will find that they cannot afford to be promoted.

ANOMALIES REMOVED

The council, while assuring coastwise members that it will continue its efforts to find an acceptable solution to this unsatisfactory state of affairs, draws attention to agreements negotiated with the North-East Coast and South Wales colliers which have overcome the difficulty.

While realising that special features are inherent in these particular trades, the membership has expressed appreciation for these agreements, which remove serious anomalies which have existed.

For many years the council has been concerned regarding the absence of any statutory machinery in coastal vessels. The Mercantile Marine Service Association, the Navigators' and Engineer Officers' Union, and the National Union of Seamen have jointly conducted a factual survey of the manner on which 1,000 British colliers, and which should be in a position to request the Ministry of Transport for a meeting in order to represent the inadequacy of the present arrangements and make recommendations, based on factual information, for the introduction of a coastwise manning act.

The Rubber Markets

London, Nov. 5.

Settlement House terms:
November 1953 17-17½
December 17-17½
January/February 17½-17½
April/May 17½-17½
July/August 17½-17½
C.I.F. basis, ports, Nov. 17½-17½
C.I.F. basis, ports, Dec. 17½-17½
C.I.F. basis, ports, Jan. 17½-17½
Estate crepe thick 10½-10½
Estate crepe thin 10½-10½

NEW YORK MARKET

New York, Nov. 5.
December 20.45 asked
March (1954) 20.55 asked
May 20.55
July 20.55 asked
September 20.55 asked
December 20.55 asked

AMSTERDAM MARKET

Amsterdam, Nov. 5.
No. 1 rubber per lb. Nov. 1.67 paid
No. 2 rubber per lb. Nov. 1.63 paid
No. 3 rubber per lb. Nov. 1.55 buyers
No. 1 crepe rubber per lb. 1.70 nom.

LONDON TIN MARKET

London, Nov. 5.

The 4th market was firm. Turnover was 75 tons, of which 30 tons were for cash.
Spot tin, buyers 81½
Spot tin, sellers 81½
Business 82½
3-months tin, buyers 82½
Business 83½
Settlement 83½

HONGKONG SHARE MARKET

(From Our Correspondent)

Business done on the Stock Exchange this morning amounted to \$512,270. Noon quotations and the morning's transactions:

SHARES BUYERS SELLERS SALES

BANKS
HSBC Bank 1510 1515
East Asia 109
INSURANCES
Lombard 87 500 @ 57½
Union 440
SHIPING
Waterbury 10½

DOCKS, ETC.

UTL-125 00½
Doek 21.70
Provident 12½ 12.70 2000 @ 12½
Wheelock 0.55 0.70 2000 @ 0.62
LAND, ETC.
HK Land 7.70 7.80
Shal Land 1.40 1½
Humphreys 16.50 16.70

UTILITIES

Star Ferry 25.25
City Light 9.50 9.55 2000 @ 9.55
C. Light (N) 9.50 9.55 2000 @ 9.55

ELECTRIC

Electric 27.20 27.40 2000 @ 27.30
Macao Elec. 9.50
Telephone 24 2000 @ 24.40

CEMENT

Cement 10.40 10.40
Rope 17
STONES, ETC.
Doek 22.50 23.00 @ 23.10
Watson 23.10 1000 @ 23.00
CO-ONB
Ewo 2.45 2000 @ 2.60
Textile Corps 0.60 1000 @ 0.60

Grain Prices

In Chicago

Chicago, Nov. 5.

Wheat, No. 2 red

Spot 198½-199½
Dec. 199½-200½
March 199½-200½
May 199½-200½

Corn, No. 2, yellow

Spot 144½-145½
Dec. 144½-145½
March 144½-145½
May 144½-145½

Soybeans, No. 2 yellow

Spot 27½-28½
Dec. 27½-28½
March 27½-28½
May 27½-28½

Barley

Spot 130-132
New York flour, 200 lb. sack \$14.10.—United Press.

London Metals

London, Nov. 5.

The metals market was steady, turnovers for copper, lead and zinc being 275, 450 and 650 tons, respectively.

Buyers sellers
Copper spot 232 233½
3-month 94 94½
Lead Nov. 75 75½
Feb. 75 75½
Zinc Nov. 75 75½
Feb. 75 75½

JAPANESE BONDS

London, Nov. 5.

Japanese bonds:
"A" (4s of 1959) 72½
"B" (4s of 1910) 115½
"C" (5s of 1907) 115½
"D" (5s of 1924) 87
"E" (5½s of 1930) 140½
"F" (Tokyo 5½s of 1920) 75
"G" (Tokyo 5s of 1912) 80½
Consols 94½

Exchange Rates

London, Nov. 5.

Business was done in the local monetary exchange market (this morning) at the following rates:
U.S. dollar (per £1) 83½
Sterling notes (per £1) 100
Siam, Siam (per 100) 25.20
Singapore (Straits) 1.77
Indo-China (Straits) 2.25

ANOTHER RALLY IN WALL ST.

New York, Nov. 5.

Stocks surged ahead to a new recovery in the most active session in two months as favourable market influences continued to hold sway.

Individual gains ran to a dollar a share and more in both the industrial and rail groups, pushing the former to a high since last April 2.

Trading increased sharply with sales for the day totalling 1,720,000 shares, the most since September 15 and compared with 1,480,000 shares yesterday.

Commentators continued to cite the generally higher third quarter earnings, and many higher dividends as market spurts. Also according to analysts, the election returns indicated that the Government will move to prevent recessionary tendencies, even to the extent of invoking inflationary measures.

Dow Jones closing averages:
30 Industrials 279.09
20 rails 97.43
15 utilities 51.40
65 stocks 102.24
40 bonds 97.27
Comm. future price index 158.20

Increase In U.S. Private Investment Abroad Expected

London, Nov. 5.

The post-war climate has not favoured commercial investment overseas. Nations with a surplus of savings, notably the United States, have found adequate investment outlets at home, and nations that needed foreign capital have looked with suspicion at the private commercial lender.

There has been talk of "exploitation" and of the burden of profit remittances. Governments have wanted to borrow, but have preferred to borrow from other Governments, feeling that aid from private industry was in some sense derogatory to their dignity.

Except in certain newly liberated territories of the Far East this phase may now be regarded as over. The American Government has announced that its lending is shortly to end, except for strictly military purposes, and that the remaining dollar gap has to be filled by private American investment.

Reciprocal countries are, therefore, overhauling the exchange control systems that have hitherto served to keep money out as well as in, and are trying to make them work one way only. The Dutch Government runs an advertising campaign in the United States to draw attention to the facilities now available in Holland for any American business that may want to start up a European subsidiary, and even President Peron, the advocate of Latin American economic nationalism, has recently addressed some kindly words to foreign investors.

The British Government is not advertising, but it has taken steps to ensure that foreign investment applications are dealt with more speedily, and that the security of actual investment to the investor is guaranteed.

Since January 1950, foreign industrial investors here are allowed to withdraw their capital, and capital gains, provided the original project was approved. The remittance of interest and profits has always been allowed.

The question of official approval still remains. The British Government does not welcome an American company that is merely trying to jump inside the sterling area fence, and which will not bring any genuine increase to Britain's industrial potential. Broadly speaking an American investment will be welcome if it produces some new machinery, or apparatus that is not available elsewhere in Britain, and if it creates new jobs and industrial "know how."

MAY DO GOOD
It is found that an infusion of American labour and managerial spirit—may have a beneficial leaving effect on local morale. British labour is steady, but conservative. Strikes, and industrial unrest are uncommon here, but managers find difficulty in introducing new techniques. The reluctance, which British work people show to change may be diminished, by an infusion of American enterprise and curiosity.

British authorities will weigh the advantages which a prospective American investor may show under these factors against the cost in dollars of profit repatriation.

It offers as an inducement to build the factory in these areas, providing all the capital and charging a moderate rent. While British firms have been slow to respond to this attraction, American firms have been quick. Subsidies have been established in the Scottish development areas, by twenty first rank American firms since 1945. The Scots have welcomed this invasion and are taking advantage. It is said that they prefer an American immigrant to a southern Briton, who still suffers from the centuries' old animosity between England and Scotland.—Reuters.

